

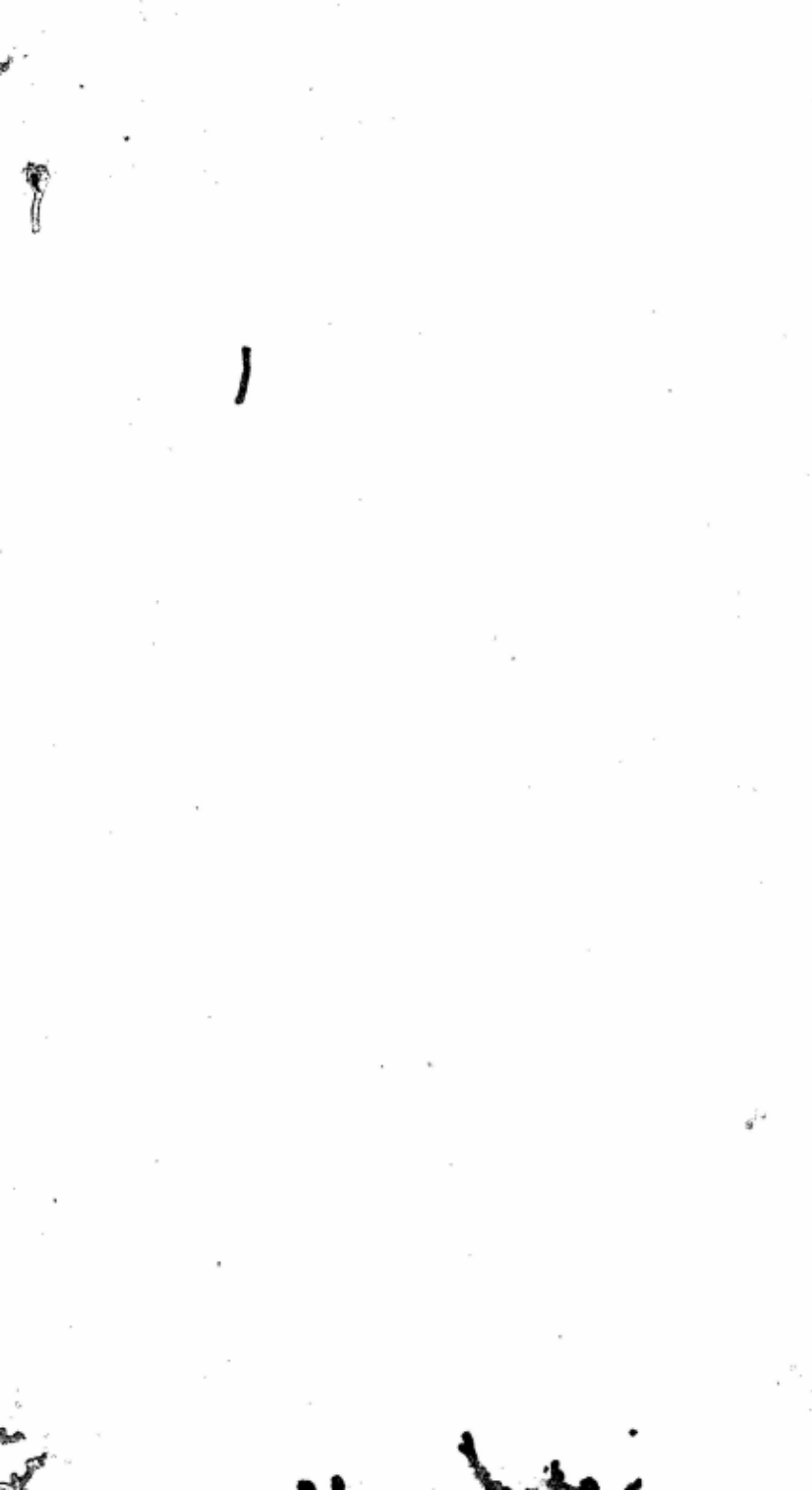
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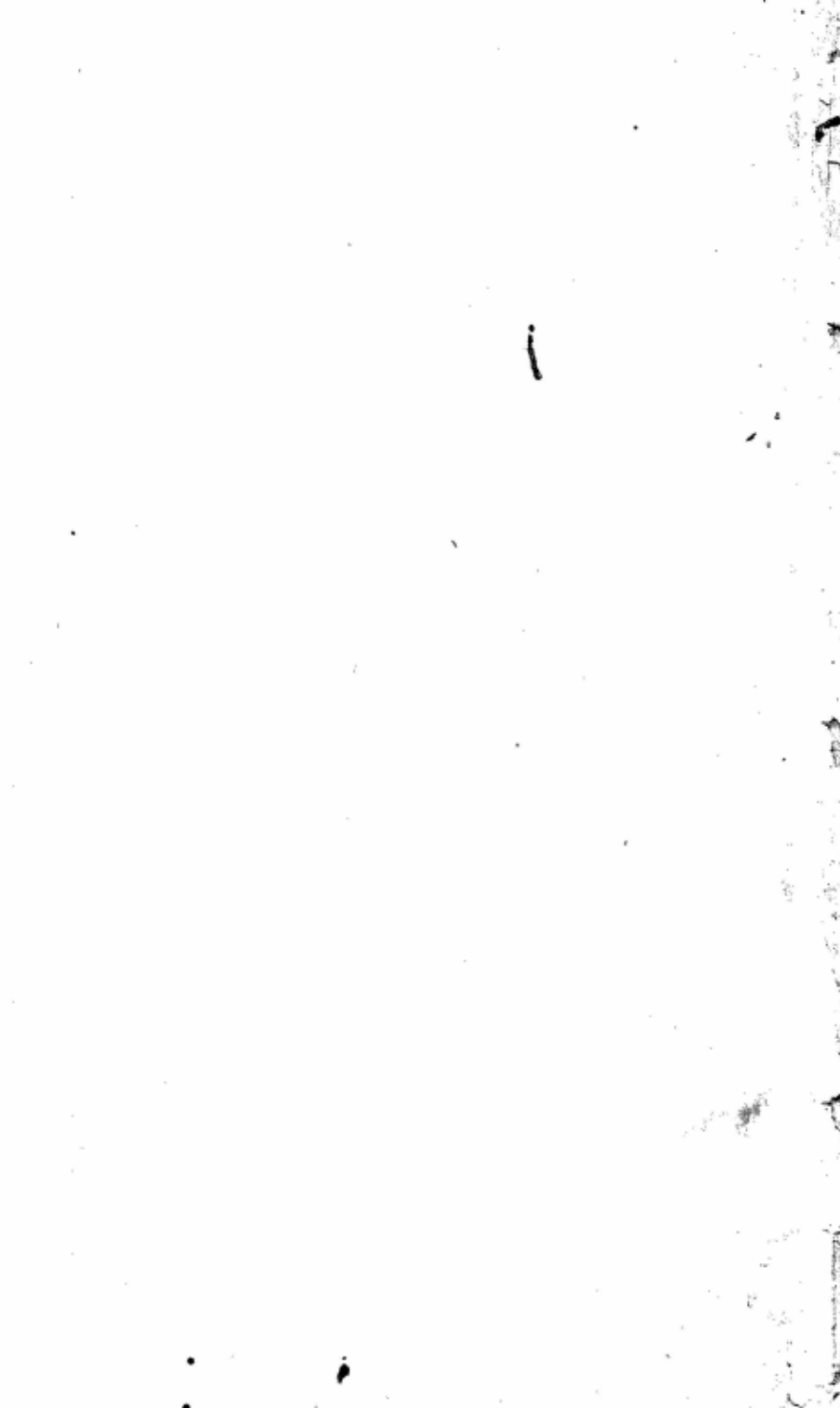
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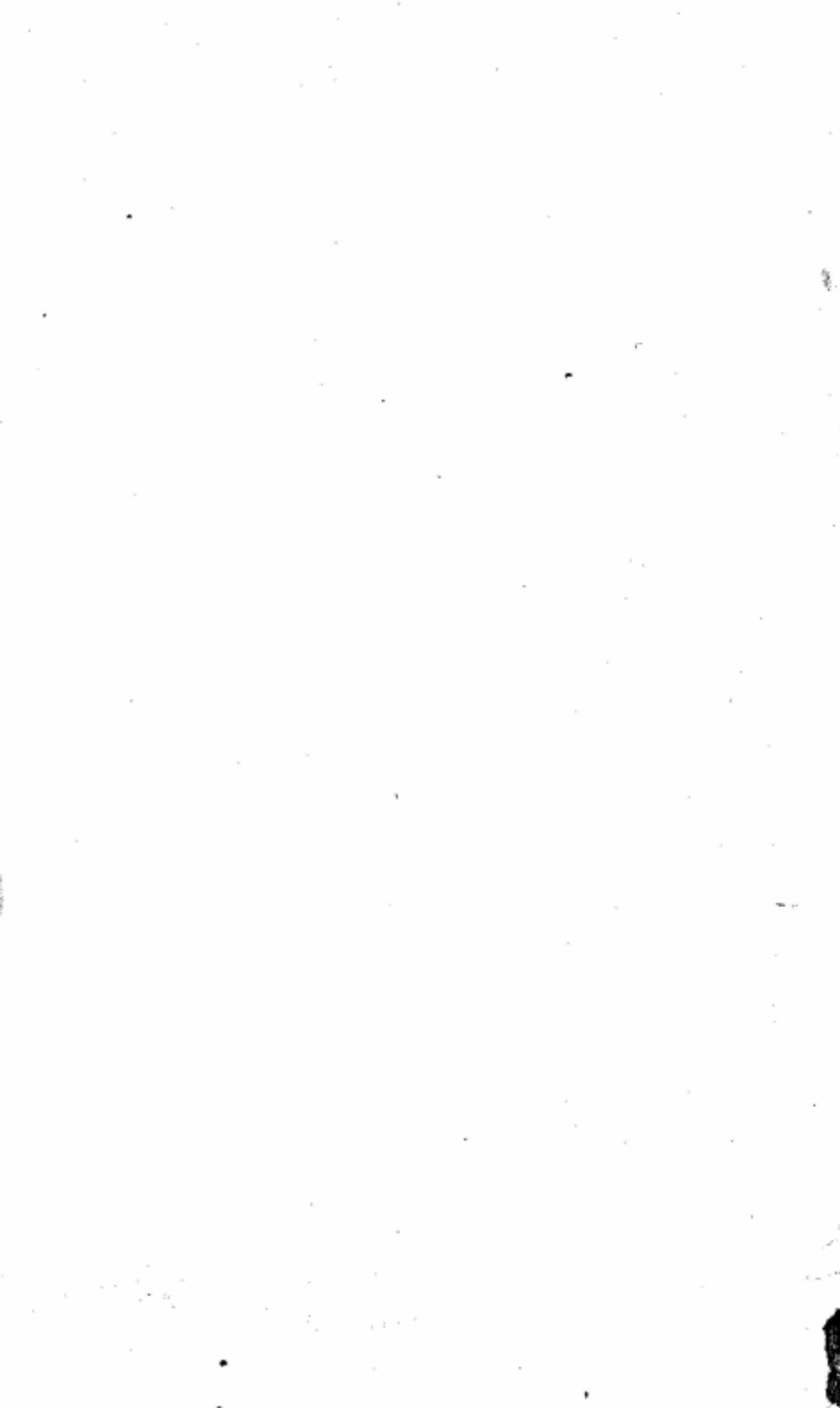
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JOURNAL  
OF THE  
EAST· INDIA ASSOCIATION.

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*Anglo-Indian Vital Statistics.*

Paper read by P. M. TAIT, Esq.,

AT A MEETING HELD AT THE WESTMINSTER PALACE HOTEL,  
WEDNESDAY, JANUARY 28, 1874.

J. H. STOCQUELER, Esq., IN THE CHAIR.

A MEETING of the members and friends of the East India Association was held at the Westminster Palace Hotel, on Wednesday evening, January 28, 1874, the subject for discussion being "Anglo-Indian Vital Statistics." Among those present were Colonel Leggatt; Samuel Brown, Esq., President of the Institute of Actuaries; A. Francis, Esq.; Captain Palmer; Nowrozjee Furdoonjee, Esq.; J. H. Stocqueler, Esq.; James Bogie, Esq.; J. D. Bell, Esq.; F. Barrow, Esq.; J. Whittall, Esq.; F. Jones Williams, Esq.; Wm. J. Grazebrooke, Esq.; C. A. Lawson, Esq.; Cornelius Walford, Esq.; James Chisholm, Esq.; R. W. Hudleston, Esq.; and several eminent London statisticians and actuaries.

Captain PALMER, the Honorary Secretary of the Association, at the commencement of the proceedings explained that the Chairman of the Council of the Association, Mr. E. B. Eastwick, had intended to preside at the meeting, in accordance with the public announcements, but the sudden dissolution of Parliament had imposed on him the duty of meeting his constituents at Penryn and Falmouth. Under these circumstances, he (Captain Palmer) would move that Mr. J. H. Stocqueler take the chair. (Hear, hear.)

Mr. NOWROZJEE FURDOONJEE said he had great pleasure in seconding the motion; and it was agreed to *nem. con.*

Mr. STOCQUELER then took the chair, and, in opening the business, said he had no other right to be present beyond the circumstance of Captain Palmer's having requested his attendance as a member of the East India Association; and, as only a humble member of the Association, he hoped he would not be considered as presuming too much in presiding, on the present occasion, over their deliberations. The subject they were met to consider was one of the greatest importance to Englishmen in India; and, as became one who was interested in the progress of the Eastern Empire, it was a subject which had, from time to time, engaged his attention as a journalist. Himself a resident in India for twenty years, and a period of more than twenty years having since elapsed and still left him in good health, and moreover, having many friends who, still in the prime of their strength, had had as long, or even longer, experience of the climate, he was strongly of opinion that the claims of Englishmen in India should be treated with more moderation by the great life insurance societies doing business in India. (Hear, hear.) Mr. Tait, who would address the Association, would, he believed, give reasons for the belief that the death-rate in India is not so great as it was in years gone past, and that the chances of life have greatly improved. All who were going to India, or had returned from thence, had naturally a vital interest in the question; and indirectly, also, all who insured their lives in England were interested likewise in the proper solution of the question; and he was glad to know there were present gentlemen who had special knowledge on the subject. He therefore hoped that due attention would be given to the statements which would be made by the eminent Actuary, Mr. P. M. Tait. (Hear, hear.)

The following letters, addressed to Mr. Tait from Dr. Mouat and Dr. Farr, were read:—

"I regret much my inability to attend the proposed meeting, as I shall not be in town, and the engagement which takes me away I cannot set aside. . . . The question is one of considerable importance, irrespective of its relations to Life Assurance. I am just now collecting figures from the medical points of view; but they are not sufficiently complete to enable me to use them at present, and I am bound not to use some of them until they are complete. I am afraid that you and I look at the question from entirely different standpoints; and the truth may lie, as it frequently does, between the two views. Nothing but good can, however, arise from the discussion,

" if properly and temperately conducted.—Yours truly, E. J. MOUNT.—  
 " General Register Office, Somerset House, January 24th."

" My Dear Tait,—I regret to say that I shall be out of town on the  
 " 28th, and cannot, therefore, have the pleasure of hearing your paper,  
 " which I should like to have done, as I know your opinion is valuable  
 " on the important subject in question.—Yours very faithfully, W.  
 " FARR, F.R.S."

Mr. P. M. TAIT then addressed the meeting as follows :—

#### I.—INTRODUCTORY.

A very animated controversy is at present going on between different Life Insurance Companies, transacting business in India, as to the proper and equitable premiums which ought to be charged for life insurance in that dependency.

In our programme for 1873-4 my name is, I see, down for a Paper on "Anglo-Indian Vital Statistics." Now, as the true measure of the value of European life in India is the cost of life insurance there, it has occurred to me that, at whatever sacrifice of other engagements, the present moment is very opportune, in which to take a rapid survey of the whole subject.

It will be known to many of my hearers that until lately it has been the custom for insurance offices to adjust the rates of premium for India and England on a different scale. A glance at the premiums charged by the different offices will indicate what I mean.

#### II.—PREMIUMS FOR LIFE INSURANCE IN INDIA AND EUROPE.

The principal offices now doing business in India are the—

Church of England.  
 Commercial Union.  
 London and Lancashire.  
 North British and Mercantile.  
 Positive.  
 Standard.  
 Universal.

There are many agencies of other offices, but those known to the public are mostly the above. Some of these offices have professional secretaries located in Calcutta, and one, the Universal, has been doing business in India since 1834.

The following are the *without* profit rates of premium charged by the four principal companies for the assurance of 100*l.*, or Rs.1,000, in Europe and India :—

| Age. | COMMERCIAL UNION. |         |         |         |         |         | NORTH BRITISH AND<br>MERCANTILE. |         |         |         |         |         | STANDARD. |         |         |         |         |         | UNIVERSAL. |         |         |         |    |  | Age. |
|------|-------------------|---------|---------|---------|---------|---------|----------------------------------|---------|---------|---------|---------|---------|-----------|---------|---------|---------|---------|---------|------------|---------|---------|---------|----|--|------|
|      | Europe            |         |         | India.  |         |         | Europe                           |         |         | India.  |         |         | Europe    |         |         | India.  |         |         | Europe     |         |         | India.  |    |  |      |
|      |                   |         |         |         |         |         |                                  |         |         |         |         |         |           |         |         |         |         |         |            |         |         |         |    |  |      |
|      | £ s. d.           | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d.                          | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d.   | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d.    | £ s. d. | £ s. d. | £ s. d. |    |  |      |
| 20   | 1 14 0            | 3 8 0   | 3 18 0  | 0 12 11 | 3 1 0   | 3 9 5   | 1 15 1                           | 3 3 0   | 3 11 3  | 1 14 10 | 3 4 0   | 3 12 0  | 0 20      |         |         |         |         |         |            |         |         |         | 20 |  |      |
| 25   | 1 18 5            | 3 8 0   | 3 18 0  | 0 17 6  | 3 6 1   | 3 14 5  | 1 19 8                           | 3 8 4   | 3 16 7  | 1 19 0  | 3 12 0  | 4 2 0   | 25        |         |         |         |         |         |            |         |         |         | 25 |  |      |
| 30   | 2 3 7             | 3 10 0  | 4 0 0   | 0 2 3   | 0 3 12  | 0 4 0   | 4 2 5                            | 2 3 15  | 4 3 4   | 2 4 0   | 3 18 0  | 4 10 0  | 30        |         |         |         |         |         |            |         |         |         | 30 |  |      |
| 35   | 2 9 6             | 3 16 0  | 4 6 0   | 0 2 9   | 2 3 19  | 3 4 7   | 4 2 11                           | 10 ..   | ..      | 2 9 0   | 4 6 0   | 4 14 0  | 35        |         |         |         |         |         |            |         |         |         | 35 |  |      |
| 40   | 2 17 2            | 4 4 0   | 4 14 0  | 0 2 17  | 3 4 8   | 3 4 16  | 0 3 0                            | 0 4 13  | 6 5 1   | 2 16 9  | 4 18 0  | 5 6 0   | 40        |         |         |         |         |         |            |         |         |         | 40 |  |      |
| 45   | 3 6 0             | 4 16 0  | 5 6 0   | 0 3 6   | 5 5 0   | 7 5 7   | 1 3 10                           | 9 ..    | ..      | 3 5 0   | 5 10 0  | 5 16 0  | 45        |         |         |         |         |         |            |         |         |         | 45 |  |      |
| 50   | 3 18 9            | 5 10 0  | 6 0 0   | 0 3 19  | 9 5 15  | 10 6 1  | 6 4 5                            | 3 6 2   | 5 6 10  | 3 17 0  | 6 4 0   | 6 8 0   | 50        |         |         |         |         |         |            |         |         |         | 50 |  |      |
| 55   | 4 18 0            | ..      | ..      | 5 0 0   | 6 15 11 | 7 0 4   | 6 6 4                            | 7 4 4   | 7 12 7  | 4 15 3  | 7 12 0  | 7 16 0  | 55        |         |         |         |         |         |            |         |         |         | 55 |  |      |
| 60   | 4 4 ..            | ..      | ..      | 6 3 1   | ..      | ..      | 6 14 11                          | ..      | ..      | 5 19 11 | 8 16 0  | 9 0 0   | 60        |         |         |         |         |         |            |         |         |         | 60 |  |      |

Thus the following indicates the excess per cent. of Indian over English rates:—\*

| Age. | NORTH BRITISH. | STANDARD. | UNIVERSAL. |
|------|----------------|-----------|------------|
| 25   | 87.            | 83.       | 97.        |
| 35   | 69.            | ...       | 82.        |
| 45   | 56.            | ...       | 74.        |
| 55   | 38.            | 40.       | 62.        |

It thus appears that, on an average, life insurance costs in India, as compared with what it costs in Europe, an excess per cent. per annum at different ages equal to—

| Age. | Excess per Cent. per Annum. |
|------|-----------------------------|
| 25   | 89.                         |
| 35   | 75.                         |
| 45   | 65.                         |
| 55   | 53.                         |

This excess represents chiefly, but not wholly, the increased risk to life which Englishmen are supposed to run in India, and also the greater expense of Indian, as compared with European, office establishments.

Narrowing the question to the premiums for one year, the following

\* Commercial Union rates not received in time for this table.

are the rates charged by the Universal, as compared with deaths in 1,000 in one year amongst Bengal civilians and Bengal officers, according to Neison:—

| Age. | CIVIL.    |         | MILITARY. |         |
|------|-----------|---------|-----------|---------|
|      | Premiums. | Deaths. | Premiums. | Deaths. |
| 20   | 22·       | 11·8    | 26·       | 21·9    |
| 25   | 24·       | 15·4    | 28·       | 23·4    |
| 30   | 27·       | 16·9    | 32·       | 26·2    |
| 35   | 30·       | 18·7    | 35·       | 26·3    |
| 40   | 32·       | 21·6    | 39·       | 25·5    |
| 45   | 34·       | 26·9    | 42·       | 29·2    |

On the first blush it thus appears, that the above office allows itself an ample margin on insurances for one year.\*

The following are the *with profit* rates charged by the above-named offices for assurance of 100*l.* sterling, or Rs.1,000, in Europe and India:—

| COMMERCIAL UNION. |              |              |          | NORTH BRITISH AND<br>MERCANTILE. |              |                   |             | STANDARD. |         |         |         | UNIVERSAL. |         |         |    | Age. |
|-------------------|--------------|--------------|----------|----------------------------------|--------------|-------------------|-------------|-----------|---------|---------|---------|------------|---------|---------|----|------|
| Age.              | Europe.      |              | India.   | Europe.                          | India.       |                   | Europe.     | India.    |         | Europe. | India.  |            | Europe. | India.  |    |      |
|                   | Civil & Mil. | Civil & Mil. | Civil.   |                                  | Mil.         | Civil.            |             | Mil.      | Civil.  |         | Mil.    |            |         |         |    |      |
|                   |              |              |          |                                  |              |                   |             |           |         |         |         |            |         |         |    |      |
| 20                | £ s. d.      | £ s. d.      | £ s. d.  | £ s. d.                          | £ s. d.      | £ s. d.           | £ s. d.     | £ s. d.   | £ s. d. | £ s. d. | £ s. d. | £ s. d.    | £ s. d. | £ s. d. | 20 |      |
| 25                | 1 18 10      | ..           | 1 18 23  | 10 94 0                          | 3 1 18 4     | 3 11 74           | 0 11 1 18 8 | 4 4 0     | 4 14 0  | 0 20    | 0 25    | 25         |         |         |    |      |
| 30                | 2 3 8        | ..           | ..       | 3 16 04                          | 5 7 2 9 104  | 2 104 12 5 3 5 65 | 6 5 6 35 15 | 83 3 0    | 5 18 0  | 6 6 0   | 0 40    | 30         |         |         |    |      |
| 35                | 2 9 53       | 18 0         | 2 9 104  | 2 104 12 5 3 5 65                | 6 5 6 35 15  | 83 3 0            | 5 18 0      | 6 6 0     | 0 40    | 0 30    | 0 35    | 35         |         |         |    |      |
| 40                | 2 15 94      | 4 0          | ..       | 4 11 25                          | 0 5 3 6 15   | 1 65 10 5 3 5 65  | 6 5 6 35 15 | 83 3 0    | 5 18 0  | 6 6 0   | 0 40    | 40         |         |         |    |      |
| 45                | 3 4 24       | 14 0         | 3 6 15   | 1 65 10 5 3 5 65                 | 6 5 6 35 15  | 83 3 0            | 5 18 0      | 6 6 0     | 0 40    | 0 30    | 0 35    | 45         |         |         |    |      |
| 50                | 3 13 105     | 8 0          | ..       | 5 15 86                          | 3 2 4 11 116 | 13 8 6 19 27      | 8 64 5 0    | 7 8 0     | 7 14 0  | 0 50    | 0 55    | 50         |         |         |    |      |
| 55                | 4 7 86       | 4 0          | 4 11 116 | 13 8 6 19 27                     | 8 64 5 0     | 7 8 0             | 7 14 0      | 0 50      | 0 55    | 0 60    | 0 65    | 55         |         |         |    |      |
| 60                | 5 9 2        | ..           | ..       | 7 16 48                          | 1 5 7 7 1    | ..                | ..          | ..        | ..      | ..      | ..      | 60         |         |         |    |      |
| 65                | 6 17 8       | ..           | 6 16 2   | ..                               | ..           | ..                | ..          | ..        | ..      | ..      | ..      | 65         |         |         |    |      |
| 70                | 8 9 11       | ..           | ..       | ..                               | ..           | ..                | ..          | ..        | ..      | ..      | ..      | 70         |         |         |    |      |

To assist in a just appreciation of the rates in the preceding table, the following particulars† having reference to the different companies under observation, and to the *bonuses* hitherto declared by them, are necessary:—

\* But see *post.* as to the character of what are called “civil” lives in India.

† These are so far as can be ascertained.

| Office.                 | When Established. | Capital.    |          | Shares.                       |                        | Accumulated Funds. | Annual Revenue at latest date. | Annual Premiums on New Business to latest date. | Profits.                                    |                                      | Remarks.         |
|-------------------------|-------------------|-------------|----------|-------------------------------|------------------------|--------------------|--------------------------------|---|---|--------------------------------------|------------------|
|                         |                   | Subscribed  | Paid up. | Originally paid up per Share. | Present Selling Price. |                    |                                |   | Proportion per cent. of Profits returnable. | At what Intervals.                   |                  |
| Commercial }<br>Union } | ...               | £ 2,500,000 | 350,000  | £ s. d.<br>5 0 0              | £ s. d.<br>12 10 0     | 700,000            | ...                            | £ ...   | 80  | Quinquenn.                           | Fire, Life, Mar. |
|                         | 1823              | 2,000,000   | 250,000  | 6 5 0                         | 34 0 0                 | 2,203,659          | 354,034                        | ...   | 90  | Ditto.                               | Fire and Life.   |
| Standard ...            | 1825              | ...         | ...      | 1 0 0                         | 72 0 0                 | 4,400,000          | 700,000                        | ...   | 90  | Ditto.                               | Life.            |
| Universal ...           | 1834              | 500,000     | 50,000   | 10 0 0                        | 32 10 0                | 869,700            | 166,386                        | 18,254  | 75  | { Annually<br>after Five<br>Years. } | Life.            |

I must leave my hearers, after careful examination of the preceding tables and the prospectuses of the different companies, to decide which is the best office to insure in, transacting business on the old system. The premium for Europe is a most essential element in the question. A cadet of 20, embarking for India, is charged the Indian rate applicable to that age. After serving 20 or 30 years in India, he is, on returning to Europe, placed on the English rate applicable to age 20, and as at age 45 his "expectation of life" is a quarter of a century, the English rate is as important to him as the Indian one.

### III.—EXISTING LIFE OFFICES, HOW CONSTITUTED.

I desire with the utmost brevity to point out that there are three kinds of Life Assurance Offices, viz.—

The *Proprietary*, in which *all* the profits go to shareholders.

The *Mutual*, in which *all* the profits go to policy-holders.

The *Mixed*, in which the profits are divided amongst policy and shareholders.

The whole of the offices mentioned above come under the third category, and are what is called "Mixed" Assurance Offices, in which a portion of the profits are reserved for the shareholders, in consideration for the guarantee of that body, and by way of dividend or bonus on the capital actually paid up.

People who desire to make "assurance doubly sure," very often prefer selecting an office which, in addition to an immense revenue and accumulated funds, affords the guarantee of a large subscribed capital and numerous proprietary body.

On the other hand, it is contended that the *Mutual* system is the only one which the public at large have any interest in supporting.

A glance at the selling prices of the shares of the different companies indicates the prodigious profits which have been realized. Thus, the *Standard* shares are selling at a premium exceeding 7,300 per cent., those of the *North British and Mercantile* about 450 per cent., and those of the *Universal* about 225 per cent.; this independently, of course, of the large dividends which have been, and continue to be, paid.

Now these immense amounts, it is contended, simply represent the money abstracted from the pockets of the policy-holders. The question is whether, in a well-conducted office, any guarantee of capital is necessary.

Turning over the leaves of the *Post Magazine Almanac* for 1873, I find the following particulars with reference to the principal Mutual Assurance Companies are given of the amount saved to policy-holders by

the Mutual system. Had the office been a proprietary one, paying dividends to shareholders—

A fifth would have withdrawn £166,836

A fourth „ „ „ 208,546

A third „ „ „ 227,806

This is during seven years only. It is evident that during an average lifetime the saving to policy-holders by the Mutual system must amount to an enormous sum.

#### IV.—GENERAL TERMS AND CONDITIONS OF LIFE ASSURANCE IN INDIA.

These, as until very recently afforded by offices doing business in India, are very much the same.

Indian rates cover residence in any part of the world except the West Coast of Africa.

Lives below the ordinary standard of health, affected with gout, rupture, or other ailment not immediately dangerous, are assurable at a moderate increase of premium.

The age is taken as at the next birthday of the person proposing to insure.

Premiums may be paid yearly, half-yearly, quarterly, or monthly.

Stamp duties and all medical fees are paid by the companies.

Claims paid three months after proof of death; in the case of the Positive Company seven days only after such proof.

Thirty days' grace allowed for paying of premiums.

Policies lapsed by non-payment of premiums are revivable, on certain conditions, within three months.

An assurance by A on the life of B not void should the latter die by suicide, duelling, or the hands of justice.

Age admitted on lodgment of baptismal or registration certificate; or, failing these, on statutory declaration.

Indian policy-holders pay English rates during residence in Europe, or other equally healthy climate.

The value of the rupee is usually taken at two shillings sterling English.

Claims on English policies may be made payable in Europe or India.

Military men, holding civil appointments, are charged civil rates.

Notices of assignment of policies are received and registered.

Policies are purchased, or loans granted on them, on certain conditions.

For a more detailed summary of these conditions I would refer to the prospectuses of the different companies.

## V.—THE PRESENT QUESTION STATED.

My hearers, when they come to read this paper in the Journal of the Association, may, if time presses, "skip" the last three paragraphs, which, although not particularly interesting to the general reader, appear to me essential to make the paper complete. We now come, however, to the point at issue.

Recently an office has commenced business in India called the "Positive," which affirms that all the other offices charge too much—that Englishmen may, in fact, be assured in India at the same premiums as for Europe; and, accordingly, the "Positive" has done a very large business. This, of course, has raised the ire of the other offices. The Standard, represented by Dr. Ewart, has come to the front in defence of the old system; while the champion of the Positive is Dr. Mouat—both very eminent men, and, I doubt not, well known to many of my hearers.

The arguments of these gentlemen may be summarized as follows:\*

*Dr. Mouat.*

That English premiums may be charged for India,

Because—

1. There is so much greater sobriety now among the assuring classes.

2. There is, over all India, a more sensible and wholesome style of living.

3. Europeans have now better food and drink than in days gone by.

4. There are infinitely superior means and appliances for dealing with sickness, when such occurs.

5. There are immensely increased facilities for removal, in case of sickness, to a more genial climate.

*Dr. Ewart.*

That against these advantages may be urged the following—viz. :—

1. The hitherto unparalleled over-work now imposed upon Europeans in India.

2. The comparative general impoverishment of men on fixed incomes, by reason of the universal rise in prices.

3. Thus, where in Calcutta, in former days, one family occupied literally a palace, now families herd in flats.

4. The general deterioration in the staminal elements of the dietary of Europeans.

5. Especial poorness in the quality of meat, fish, and fowls, nearly everywhere beyond the neighbourhood of the Presidency towns.

\* A recent number of the Calcutta *Englishman* newspaper gives a more elaborate summary, introducing certain other considerations. The *Lancet* also has a leading article on the subject.

I give the statements of the two worthy doctors, as near as possible, in their own words.

Now, there is no disguising the supreme importance of this discussion. The first question which every Englishman contemplating an Indian career asks himself is, the chance of surviving his twenty, thirty, or forty years of service.

It is only fair that he should attempt to measure, accordingly, the climatic risk of an Indian career, as compared with one in Europe, Australasia, the Canadas, or elsewhere in a climate more fitted to Europeans.

#### VI.—EXISTING AUTHORITIES ON THE SUBJECT.

The contributions to Indian Vital Statistics already form a very considerable library, and it so happens that many very eminent men have had the subject under observation. Prominent among these was the late Colonel W. H. Sykes, M.P., formerly one of our Vice-Presidents, and several times President of the Statistical Society of London, who repeatedly directed the attention of that body to the subject, the Journals of the Society being enriched with many of his contributions. The names of General Hannington, Major H. B. Henderson, Colonel Smith, Mr. Curnin, Drs. Leith, Hewlett, Norman Chevers, and others,—all connected with the Indian Services—will, no doubt, occur to some of my hearers as having given special attention to the matter.

But it so happens also that these gigantic beneficent institutions, the Indian Service Funds, have at various times had to summon the professional assistance of the most eminent actuaries which this country has produced. Thus, Woolhouse, Davies, Neison, Hardy, Farr, Jellicoe, and others, all men of mark in actuarial pursuits, and more recently Brown, Thompson, Pattison, Sprague, Baily, Walford,\* Sylvester, and others, have had the matter under review.

The following is a *résumé* of the most important contributions to Indian Vital Statistics which have up to the present time appeared; and I may say that, personally, I have had occasion to examine all of these, more or less carefully, with reference to inquiries arising out of other matters:—

1855.—“*Observations on Existing Tables of Mortality of Europeans in India*,” by the present writer, in the *Calcutta Review* for March of that

\* This gentleman has, it is believed, accumulated much information on the subject for the forthcoming article on “India,” in his *Insurance Cyclopædia*, a very comprehensive and laborious work.

year. *This paper contains a very comprehensive résumé of all the papers on European Mortality in India which had up to that time appeared.*

"*Observations*," &c.—The preceding article reproduced *verbatim* in the *Journal of the Institute of Actuaries* for October of that year.

1858.—"*Mortality of East Indians*," by the present writer, in the *Calcutta Review* for December of that year.

1859.—"*Mortality of Christian Females in India*," also by the present writer, in the *Calcutta Review* for March of that year.

1863.—"*Report*," by Mr. Samuel Brown and his coadjutors, "*on the Madras Military Fund*," subsequently condensed in the *Assurance Magazine*.

1864.—"*Mortality of Eurasians*," by the present writer, read before the Statistical Society in 1864, and published in the September number of the *Journal*.

1865.—"*Report on the Bengal Civil, and Bengal Medical Retiring Funds*," by Mr. Samuel Brown.

1867.—"*Population and Mortality of Calcutta*," by the present writer, read before the British Association at Dundee in September of that year.

1869.—"*Population and Mortality of Bombay*," by the present writer, read before the British Association at Exeter in September of that year.

1871.—"*Rate of Mortality amongst the Natives, compared with that of Europeans in India*," by Mr. Samuel Brown, and published in Vol. XVI. of the *Assurance Magazine*.

It will thus be seen that if we err in the matter at all, or come to false conclusions, the fault will be our own. There are very few scientific problems on which a brighter light has been thrown, than on those arising out of Anglo-Indian Vital Statistics.

The different actuaries mentioned are about the very last men in the world to deal in guesses, or mere vague generalities. They doubtless differ occasionally on minor points, but their main conclusions are founded on a laborious and conscientious elaboration of all the facts, and the question ought thus to be set at rest for ever. What, then, are their conclusions? They are summarized in a paper which I had the honour to read before the Statistical Society in 1864, the facts being brought up to that date. Here is the table:—

Mortality per Cent. per Annum amongst various Classes.

| Age. | Unconvenanted Service Family Pension Fund.                     |   | Bengal Civil Service.       |                              | Bengal Military.                                 |                                   |   | Madras Military (Madras Fund)     |   | Euro-<br>pean Non<br>commis-<br>sioned<br>Officers<br>and Men<br>in India,<br>Dr. Farr,<br>1847 to<br>1856 | Assured Lives.   |  | Retired<br>Officers<br>of the<br>Indian<br>Army.<br><br>Christie<br>† | Eng-<br>lish<br>Life<br>Table<br><br>Males<br><br>Dr.<br>Farr<br>1841 |
|------|--|---|-----------------------------|------------------------------|--|-----------------------------------|---|-----------------------------------|---|--|--|--|---|---|
|      | The<br>Whole<br>of the<br>Sub-<br>scribers<br>only,<br>1837-57 | Eura-<br>sian<br>Sub-<br>scribers<br>only,<br>1837-57 | *<br>Davies<br>1780<br>1838 | †<br>Neelson<br>1790<br>1842 | *<br>Wool<br>house<br>1760<br>to<br>1837<br>1837 | *<br>Davies<br>1760<br>to<br>1837 | § Neelson<br>1800-47<br><br>Exclu-<br>ding<br>retired | †<br>Davies<br>1808<br>to<br>1840 | §<br>S.<br>Brown<br>1808<br>to<br>1857. |  | India.<br>Experi-<br>ence of<br>Oriental<br>and<br>Insurance<br>Cos.<br>France,<br>1815-47 | Eng-<br>land.<br><br>Com-<br>mittee<br>of<br>Actu-<br>aries. |   |   |
| 20   | ...  | ..  | 1.18                        | 1.18                         | 2.66   | 2.64                              | 2.23  | 2.19                              | 3.26                                    | 5.04   | 2.47   | .73  | ...   | .92   |
| 25   | 1.61   | 1.12  | 1.54                        | 1.54                         | 2.73   | 2.72                              | 2.45  | 2.34                              | 3.06                                    | 4.88   | 2.72   | .78  | 1.10  | .99   |
| 30   | 1.40   | 1.13  | 1.69                        | 1.69                         | 2.91   | 2.89                              | 2.75  | 2.62                              | 3.66                                    | 4.96   | 3.04   | .84  | 1.17  | .96   |
| 35   | 1.42   | 1.35  | 1.87                        | 1.87                         | 3.15   | 3.13                              | 2.90  | 2.63                              | 2.94                                    | 5.14   | 3.53   | .93  | 1.29  | 1.24  |
| 40   | 2.31   | 2.99  | 2.09                        | 2.16                         | 3.44   | 3.43                              | 2.89  | 2.55                              | 4.05                                    | 6.16   | 4.21   | 1.04   | 1.47  | 1.21  |
| 45   | 2.78   | 2.69  | 2.40                        | 2.69                         | 3.81   | 3.82                              | 3.45  | 2.92                              | 2.68                                    | 5.74   | 4.86   | 1.22   | 1.77  | 1.70  |
| 50   | 4.03   | 4.46  | 2.84                        | 2.61                         | 4.26   | 4.26                              | 3.39  | 2.23                              | 2.75                                    | 5.61   | 5.46   | 1.59   | 2.23  | 1.85  |
| 55   | ...  | ...   | 3.35                        | 2.56                         | 4.92   | 4.84                              | 3.83  | 2.54                              | 3.06                                    | 5.47   | 5.90   | 2.17   | 2.86  | 2.86  |
| 60   | ...  | ...   | 4.02                        | 3.26                         | 5.92   | 5.52                              | 3.96  | 3.03                              | 2.75                                    | 5.46   | 6.47   | 3.03   | 3.66  | 3.40  |

\* Dodwell and Miles' list.

† Ramehunda Doss' list.

‡ Colonel de Havilland's data.

§ Patronage Book of India House.

|| Report of the Commissioners on the Sanitary State of the Army in India.

¶ Journal of the Statistical Society, Vol. I.,

page 279, &amp;c, &amp;c.

Now it must be remembered that *the epoch under review* is of the very essence of this inquiry. Dr. Mouat very fairly contends that there is no analogy whatever between the conditions affecting the life of the Bengal civilian of 1873, and the character as drawn, for instance, by Thackeray, as existing in 1815. There was a time, we are informed, in Calcutta when "the European inhabitants assembled regularly on "the completion of the hot weather, to congratulate each other on being "alive." I can very well remember an eminent surgeon, still living, telling me he was old enough to recollect when the social life of the English in Calcutta was very much on a par with that depicted by Fielding in his earlier novels. He had seen the host lock the door of the dining-room of the house in which we then sat, put the key in his pocket, and announce to the assembled *convives* that exit would not be allowed; that, in fact, "Wha last beside his chair should fa' would be "the king." The result, of course, was a mortality, the very thought of which would, in these days, set an actuary's hair on end. The City of Palaces then had open drains three feet deep, reservoirs of filth, receptacles of rotting animals, hot-beds of fever.

A local poet of the period speaks of Calcutta as a place where

"Day blazed with heat intense, and murky night

"Brought damps excessive and a feverish bed ;

"The revellers at eve were in the morning dead."

Then as to the "better" appliances in case of sickness, on which Dr. Mouat takes his stand, there can be very little doubt that an immense improvement has taken place in this respect. There is a squib in a Calcutta paper of 1780 which indicates the state of medical science at the Presidency at that time, or rather, the extent to which it appears to have been appreciated. We are told —

"Such doctors . . . . .

"Run counter to reason and bleed in the jaundice ;

"If your wife has a headache, let Sangredo but touch her,

"And he'll job in his lancet like any hog butcher."

Now I make these quotations, being anxious, as far as possible, to sustain the action of the Positive Company and their friends. There is not a man in all England, I am sure, who would not be delighted to hear that the value of European life in India equalled that of Europe, and that his relatives whose lot was cast in that great dependency had every chance of surviving the treacheries of the climate, and, after a useful career, returning to their native land, to take their place amongst its healthiest inhabitants.

I would also add that, personally, I have not the slightest interest in any life insurance office doing business in India.

It would be an immense boon to the public if, on the score of simplicity alone, the premiums for England could be made applicable to

India. To a policy-holder, the world would be, practically, all before him where to choose; but at present these instruments are hampered with conditions felt, in many cases, to be unnecessary and vexatious. Thus, an ordinary life policy applicable to Europe would be forfeited on the life disembarking in Egypt *en route* to India. I say, therefore, that I sought most anxiously to discover if there was any plan by which our countrymen in India could be insured at the same rate as our fellow-citizens here without injustice to the latter, and have been unable to find any.

You will never be able to satisfy a man living in the neighbourhood of Ascot, or Epsom Downs, or Hampstead Heath, that he ought to pay as much for his life assurance as a resident in Calcutta, Madras, or Bombay. Independently of all climatic considerations, why should he? Smith or Jones, of the London Post Office, has served twenty-five years, and is on the shady side of forty, before he comes to draw 600*l.* a-year; but the traditional Barlows, Carnacs, and Lushingtons of the Indian Civil Service *begin* life on that amount, and after forty are contemplating retirement on their pension of 1,000*l.* a-year: at forty to fifty—an age which, in political life in this country, is looked on as a period of still reckless youth and inexperience! And so with every cultivated Englishman in India. Fifteen hundred pounds a-year in Bombay, and 1,200*l.* a-year in Calcutta or Madras, is hardly worth 500*l.* a-year in London. Thus, if Indian premiums are high, there is a larger fund out of which to meet them; nor will the equanimity of Jones be improved when he learns that he is paying the same as his Anglo-Indian fellow-civilian. And so it comes to this, that what is technically called a “selection” will run against the office attempting any such adventure. The Indian people will be very willing to go in at European rates, but will the English people, as soon as they come to understand the matter, join the enterprise until statistics prove its being sound?

The Managers of the Positive, including the Chairman, are men of the highest integrity, personal friends of my own several of them, of twenty years' standing, but they are doing that which is as yet unsupported by statistics.

#### VII.—TABULAR VIEWS OF THE MORTALITY, CONDENSED.

But I return to the figures given in the table above as originally put before the Statistical Society. The most select class in all India are the members of the Covenanted Civil Service, the most brilliant Service which the world has ever seen. They command every advantage which reduces risk of residence in India to the minimum, and the mortality amongst Bengal civilians is actually less than that observed to obtain amongst the adult male population of Glasgow.\*

\* *Statist. Jnl.*, Sept., 1864.

But what are the casualties amongst members of the Bengal Civil Service, as compared with males in England? Out of 10,000 living, the deaths at different ages are yearly as follows :—

| AGE. | AUTHORITIES.                                      |   |
|------|---|---|
|      | English Life Table.<br>Males.<br>(Dr. Farr) 1841. | Bengal Civil Service.<br>(Neison and Davies.)<br>1790—1842. |
| 20   | 92  | 118   |
| 30   | 96  | 169   |
| 40   | 121   | 216   |
| 50   | 185   | 261   |

The deaths amongst military officers are, I need scarcely say, very much more. The following are the figures yearly out of 10,000 living :—

| AGE. | AUTHORITIES.                     |                                 |
|------|----------------------------------|---------------------------------|
|      | Bengal.<br>(Neison.)<br>1800-47. | Madras.<br>(Brown.)<br>1808-57. |
| 20   | 223                              | 326                             |
| 30   | 275                              | 320                             |
| 40   | 289                              | 280                             |
| 50   | 339                              | 275                             |

Then, as to the assured lives in India, the following are the figures, as compared with England, yearly out of 10,000 living :—

| AGE. | AUTHORITIES.  |  |
|------|---|--|
|      | India.<br>Experience of<br>Oriental and Laudable.<br>(Francis.)<br>1815-47. | England.<br>(Committee of Actuaries.)<br>1843. |
| 20   | 247   | 73   |
| 30   | 304   | 84   |
| 40   | 421   | 104  |
| 50   | 456   | 159  |
| 60   | 647   | 303  |

I am far from asserting that the mortality at the present time in

India is as great amongst assured lives as that represented by the preceding table ; but the fact must not be forgotten that the Services are the most favoured class in India. Presenting themselves for assurance at Civil rates in India,\* are all sorts of people—planters, railway engineers, Eurasians, and so on. According to Dr. Ewart, the proportion per 100 in the Standard is as follows:—

| <i>Official.</i>     |     |     |             |
|----------------------|-----|-----|-------------|
| Civil Service        | ... | ... | 12·4        |
| Military             | ... | ... | 32·6        |
|                      |     |     | <hr/> = 45· |
| <i>Non-official.</i> |     |     |             |
| Professional         | ... | ... | 11·1        |
| Mercantile           | ... | ... | 33·4        |
| Railway Employés     | ... | ... | 10·5        |
|                      |     |     | <hr/> = 55· |
|                      |     |     | <hr/> 100·  |

\* *Vide* a recent letter of mine in the *Insurance Record*, from which the following are extracts:—

"I must not, however, be supposed as advocating the proposition that the rates of premium for Europe are applicable to India. The question is not merely an actuarial one, but involves many other considerations. It is political, ethnological, geographical, and, for that matter, theological. For instance, there are certain parts of India where no human being can exist; such as the Sunderbunds, comprising the Delta of the Ganges, and which are habitable only by alligators and tigers, a constituency the lives of which even Mr. Baylis himself would hesitate to insure. Residence is prohibited in these places at certain seasons of the year. It used also to be the custom to prohibit residence in Assam. On the other hand, there are some parts of India, as Simla and the Neilgherries, where the climate is really better than it is in this country. India is a large word, and you have every variety of climate and temperature in that empire, from the eternal snows of the lofty Himalayas to the ever-burning heat of the plains.

"I have not examined the rates of the Positive Company; but there is another consideration with reference to the assurance of lives in India, which is greatly in favour of companies doing business there—albeit I fancy the Positive will not participate in that advantage, as it binds itself to put eighty per cent. in Government security. I refer to the high rates of interest obtainable in India on perfectly good securities. I must myself have advanced some millions sterling in India, and never lost a rupee. Mortgage of property within the Presidency towns is effected at rates varying from seven to twelve per cent. per annum with an ample margin. Again, it is an especial function of Assurance Companies to lend money on the security of 'Government paper'—that is, on the State guarantee. In this way I have received as much as twelve and fourteen per cent. per annum, on three months' contracts, with, of course, collateral security. Lastly, sanitary reforms, easier access to the hills, facilities for proceeding to Europe, have improved and continue to improve the viability, or, should I say, the value of lives in India. I am told that since the reform in the Calcutta water-supply, cholera has almost disappeared there."

During the ten and a-half months ending 1852, I have elsewhere shown, that of 282 persons presenting themselves for insurance in Calcutta, there were born in—

|                   |     |    |              |     |     |     |
|-------------------|-----|----|--------------|-----|-----|-----|
| England and Wales | ... | 88 | India        | ... | ... | 126 |
| Scotland          | ... | 22 | Other Places | ... | ... | 21  |
| Ireland           | ... | 16 | Not known    | ... | ... | 9   |

The large proportion, nearly one-half, born in India must have been either pure whites born in the country, or persons of mixed European and Asiatic parentage—otherwise, Eurasians, Indo-Britons, Indo-Europeans, Indo-Portuguese, for so half-castes are conventionally termed in India, there being no attempt to discriminate the degrees of difference.

This is a very formidable consideration for an Indian Life Office. Who shall say what death-rate will obtain amongst this heterogeneous class? The offspring of a Hindu female and an Aberdonian railway contractor? Or of a third generation resulting from a union between the second and Indo-Portuguese? According to Dr. Ewart, children reared in our hill sanatoria are, at best, mentally and physically, but enfeebled representatives of the race from which they sprung. Nor is there any example of a third generation of pure European descent reared in India.\* I say, therefore, it appears to me precipitate and dangerous to jump to the conclusion that, because we have now steamers, railways, and telegraphs, English life may be insured in India at the same rates as in England.

But, say the champions of the Positive, we do not dispute your figures, as given above; all we contend for is, that they are out of date, that there is no analogy whatever between the circumstances now and twenty or even ten years ago.

Now, taking Neison's figures given above, applicable to civilians, they are brought up to 1842, and to military officers, up to 1847 and 1857.

In 1857 the Mutiny broke out, and the casualties for that and the two following years were greatly above the average. I apprehend that it would very much strengthen our argument to carry the observations on up to the present time, or even to the end of 1874 or 1875, so as to cover the abnormal mortality amongst the official and other classes in India, certain to result from over-work and anxiety consequent on the Famine. But to a certain extent Mr. Samuel

\* Dr. Mouat disputes both assertions.

Brown, late President of the Actuaries' Institute, and who has reported on no less than twelve occasions on the Indian Funds, has answered the question. In a paper published in the *Journal of the Institute of Actuaries* for April, 1871, the figures are given, from which we derive the following, indicating the death-rate yearly among 10,000 living of different ages :—

| Age.  | ENGLAND.                           | INDIA.                               |   |
|-------|------------------------------------|--------------------------------------|---|
|       | Healthy Male Lives.<br>(Dr. Farr.) | Combined Civil Lives.<br>(S. Brown.) | Combined Military Lives.<br>(S. Brown.) |
| 15—25 | 69                                 | 170                                  | 238                                     |
| 25—35 | 82                                 | 168                                  | 281                                     |
| 35—45 | 93                                 | 208                                  | 285                                     |
| 45—55 | 127                                | 214                                  | 286                                     |

Thus, the deaths in India are, in round numbers, amongst civilians, more than double what they are in England; and amongst military men, up to 45, more than treble; beyond that age, more than double; and this, too, the select classes in India alone being subjected to comparison.

Then as to common soldiers—although that class does not afford any criterion for estimating the value of lives presenting themselves for assurance in India—the results are still against the Positive. According to Dr. Ewart, and taking the decennium ending 1870, the following are the figures over the three Presidencies :—

| Year. | Bengal. | Madras. | Bombay. |
|-------|---------|---------|---------|
| 1861  | 36·69   | 7·06    | 15·48   |
| 1862  | 19·39   | 9·44    | 15·88   |
| 1863  | 15·26   | 10·65   | 7·28    |
| 1864  | 11·11   | 10·11   | 5·91    |
| 1865  | 15·38   | 13·54   | 26·24   |
| 1866  | 10·49   | 12·08   | 3·08    |
| 1867  | 21·55   | 8·60    | 9·90    |
| 1868  | 9·20    | 8·40    | 3·00    |
| 1869  | 33·48   | 13·89   | 11·99   |
| 1870  | 12·42   | 9·72    | 7·22    |

That is to say, taking as an example 1861—the top line in the preceding

table—the deaths amongst every 1,000 soldiers in India were in excess of the deaths obtaining amongst a similar number in England by—

|        |     |     |     |     |       |
|--------|-----|-----|-----|-----|-------|
| Bengal | ... | ... | ... | ... | 36.69 |
| Madras | ... | ... | ... | ... | 7.06  |
| Bombay | ... | ... | ... | ... | 15.48 |

And so on throughout the decade.

Even this is not excessive as compared with former days in India; every human effort is now made to preserve the life of the European soldier in that dependency. Nor does the above indicate the actual mortality consequent on Indian residence, for we are told that the worst cases are generally invalided to Europe, and so, dying subsequently to leaving India, escape observation.

Nor does it appear to me, although the information is very interesting in a statistical point of view, can the death-rate amongst the European inmates of Indian prisons be considered a safe guide to Indian Life Offices in accepting risks, for convicts do not insure their lives. But even here the action of the Positive Company does not appear to be sustained. The death-rate in the Calcutta Presidency Gaol during the nine years ending 1872 ranged from 116 to 90 per 1,000 per annum, the average being  $38\frac{1}{2}$  per 1,000; and at Hazareebagh, situate 2,000 feet above the sea-level, and deemed a sanatorium, the average death-rate during the eight years ending 1872 was  $25\frac{1}{2}$  per 1,000 amongst the inmates of the Penitentiary.

#### VIII.—CONCLUSION.

Upon the whole, then, I have, after a very careful re-examination of all the facts, come to the conclusion, or rather been most unwillingly driven to the conclusion, that no sufficient reasons have been shown for the reduction of the Indian rates for life assurance to the European standard, and that, sooner or later, any company bold enough to initiate such a concession will be compelled to retrace its steps. The names associated with the company I have mentioned are of the highest class. There are Lord Sandhurst, Mr. Thomas Hughes, M.P., Mr. John David Bell, and others. The Manager is a very able man of great experience, and the plan and conception of the company, it is contended, an immense improvement on the old system. But mere speculative exactness must always give way to truth and practical benefit. The difficulty might be met by the company in question, and, having fully in view the preservation of their plan in all its attractive simplicity, it might be met, I say, waiving the elaboration of special tables for India, by the addition of a fixed per-centage at different ages to cover extra risk in India.

I am sure I need not apologize to the members of this Association

for the above treatment of an inquiry into "Anglo-Indian Vital Statistics." The fact is, that nearly every question of the kind resolves itself, sooner or later, into a question of finance, and the solution of the problem, "What risk to life do Englishmen run in India?" is afforded by the increased premium he is called on to pay out there for his life insurance. There is an intense competition in Life Assurance enterprise in India, and some of the most powerful institutions in the world transact business there. Hence the public have every guarantee for economical rates of premium.

Nor is it likely that an office with the power, enterprise, and resource of the North British, for instance, would meekly consent to be under-sold by the Positive if the rates for India were capable of material reduction? For, be it remembered that by the Chicago Fire the North British lost about half a million sterling; and while nearly every American office of the 170 interested were driven into liquidation by that calamity, our friends north of the Tweed paid the amount with the utmost promptitude, and, if I remember rightly, telegraphed to the sufferers to draw at sight for a large portion of the amount!

A very interesting fact in connection with Indian Vital Statistics is, that the mortality amongst retired Anglo-Indians approximates very nearly to that prevailing amongst select males in this country. The following are the figures indicating the yearly deaths amongst 10,000 living:—

| Age. | English Life Table.<br>Males.<br>(Dr. Farr.)<br>1841. | Retired Officers<br>of<br>The Indian Army.<br>(Christie.) |
|------|---|---|
| 20   | 92  | —   |
| 25   | 99  | 110   |
| 30   | 96  | 117   |
| 35   | 124   | 129   |
| 40   | 121   | 147   |
| 45   | 170   | 177   |
| 50   | 185   | 223   |
| 55   | 286   | 286   |
| 60   | 340   | 366   |

This is quite what we have a right to expect.

During an extended Indian career all the weakly lives get thinned out, and only the prime constitutions survive.

Hence there is no killing those old Indians who do pass through the

fire, and live to return to England. At a neighbouring club, I see men dining every day whose experiences reach back literally into the

" . . . far east of time,"

and who seem, even now, likely to outlive many of their more effeminate juniors. As to whether a protracted Indian career extracts all the dash and enterprise out of a man is quite another matter. There are, no doubt, many brilliant exceptions, but the opinion of Dr. Ewart is, that as a rule, "although the majority of men return comparatively early in life, judging from an English standard, they are permanently enervated by the climate and its diseases, and altogether unable to compete with their healthy and more vigorous rivals, of even greater ages, at home." Dr. Mouat entertains a contrary opinion, and, for myself, I know of no sufficient data available for a solution of the question.

It is impossible to treat of "Anglo-Indian Vital Statistics" in connection with Life Assurance enterprise without a passing allusion to the great catastrophe which recently befell one of our largest Insurance Institutions, having extensive connections in that empire. But it must never be forgotten that that calamity was in no ways attributable to the inadequacy of the premiums for India, or in any manner whatever to the Indian management of the unfortunate company in question. On the contrary, it was made abundantly evident at the time, by a memorial from the Indian policy-holders which appeared in the *Times*, and other statements, that the English concern had for years been sustained solely by Indian credit and resources. "Commencing operations," said the Memorial, "with a credit for 500*l.*, your Indian branch has issued policies for nine million sterling, and paid claims for two million sterling. The branch has never cost the parent establishment one shilling, has defrayed all its own claims and expenses, including the abnormal losses by the Mutiny, and has, during the last ten years, remitted in cash to the head office upwards of 350,000*l.* sterling."

The plan of the Positive Company, conscientiously carried out, and on the hypothesis that sufficient premiums are charged, renders impossible the recurrence of any such misfortune as that which has recently so greatly discouraged Life Assurance enterprise in India. Eighty per cent. of all premiums paid are at once invested in Government securities in trust for policy-holders.

This fund is absolutely inalienable, on any pretence whatever, and altogether independent of insolvency at home, the action of the London board, or indeed any other adverse influence. Now, if we consider that Europeans in India are paying, as I estimate, about half a million sterling a-year for their insurances, it seems of the very last importance

that this money should be secured to them on the spot, in Government securities, and not be liable to be withdrawn to bolster up weak concerns at home, to pay for fire or marine losses in any part of the globe, or to be dissipated in improvident amalgamations or investments.

One formidable objection to English Proprietary Companies doing business in India is, that the local directors and representatives of these companies in India are simply agents, without any substantial power, and removable at pleasure by the chief authorities in this country.

This, on the occasion of the calamity above referred to, was bitterly commented on by the entire press of India. I would refer to articles in the *Indian Daily News* of the 27th of August and 11th and 13th of September, 1869; to the *Madras Times* of the 1st of September, 1869; to the *Englishman* of the 11th and 14th of September, 1869; to the *Bombay Gazette* of the 5th of June and 24th of September, 1869; and to the *Pioneer* of the 25th of August, 1869.

It was found, on the failure of the office in question, that, had its Indian branch been allowed to accumulate the contributions of the Indian policy-holders, the branch would have had about half a million sterling in hand, the current premiums then receivable being declared by one of the highest authorities in England sufficient to meet all existing and prospective claims, independently of the half-million sterling accumulated.

A single word, before concluding, on the theory of Life Insurance. Notwithstanding the voluminous prospectuses and tables put forward by different companies, and the numerous technicalities introduced, there is really nothing difficult about the matter. Take a simple case: Supposing there is an even chance of a man dying or surviving any particular year, writers on the doctrine of chances, assuming unity as the symbol of certainty, would indicate the probability of his dying by the fraction  $\frac{1}{2}$ ; and hence the premium to insure 100*l.* would be a 100*l.* multiplied by  $\frac{1}{2}$  or 50*l.*; but as all premiums are payable yearly in advance, this 50*l.* at the end of the year, assuming interest at the rate of 5 per cent., would be 52*l.* 10*s.*; and hence the actual premium necessary would be so much less. There is usually an addition of from 10 to 20 per cent. on the "pure" premium thus obtained, to cover office expenses, and these are the only considerations which influence actuaries in the computation of life assurance premiums. Whatever the number of lives under review, the premiums are obtained by an extension or elaboration of this formula.

The system has its origin in the proposition "that what concerns mankind in the mass is of the order of physical facts." If it were not so, there would be no insurance offices. But, as a matter of fact,

men are born, marry, die, suffer from accident, go to law, commit crimes, and so on, with very nearly the same regularity as the ebb and flow of the tide, or the movement of the planetary bodies; that is, roughly stated, over an area covered by millions of individuals, the numbers born, marrying, dying, meeting with accident, or returned as defaulters, will be reproduced from year to year with extraordinary regularity.\*

Hence what we call "chance" is defined by Laplace as "but the expression of man's ignorance." And now, the law regulating certain contingencies having been discovered, we have life, fire, marine, guarantee, accident, hailstorm, and other insurance offices, and there is, in fact, no limit to the extension of the system.

Those of my hearers who have mathematical tastes, and seek to inquire further into the "doctrine of chances" on which the practical application of vital statistics is founded, may refer to the works of Pascal, De Moivre, Laplace, and others, and to the more recent treatises of Galloway, De Morgan, and Sir John Lubbock.

The whole study is one of the most interesting and profound to which the human mind can well be applied. On its very threshold confront us problems which have for hundreds of years agitated our race. In this vast complicated and mysterious mechanism in which we live, move, and have our being, should it not ever be our aim to discover *law*? For, "although," according to De Moivre, "chance produces irregularities, the odds will be infinitely great that in process of time these irregularities will bear no proportion to the recurrence of that *ORDER*, which naturally results from Original Design."

One of the most interesting and timely papers ever read before the Association was that recently by Mr. Tayler on "Famines in India." Well, I imagine that even the recurrence of famines or their proximate cause, is subject to some occult law. Providence, it is said, never strikes with both hands; and if we have scarcity in India, there is certain to be superabundance elsewhere; nor is it difficult to imagine some great international combination, of the nature of an insurance office, by which

- \* " . . . . . even
- " The passions, prejudices, interests,
- " That sway the meanest being, the weak touch
- " That moves the finest nerve,
- " And in one human brain
- " Causes the faintest thought, becomes a link
- " In the great chain of nature."

these vicissitudes might be equalized and tempered all over the globe.  
Saith the poet—

“ . . . . . I know  
“ The past, and thence I will essay to glean  
“ A warning for the future, so that man  
“ May profit by his errors and derive  
“ Experience from his folly.”

Since writing the above, Dr. Mouat's rejoinder to Dr. Ewart's letter, so repeatedly referred to in the preceding paper, has been put into my hands. The worthy Doctor sticks manfully to his figures, and summons as additional witnesses in his favour the following: Buckle on “Civilization;” Gavarret's “Statistique Médicale;” “Cholera Statistics of Bengal;” Mr. Samuel Brown, late President of the Institute of Actuaries; “Mortality amongst Indian Railway Employés;” “Mortality of European Soldiers in India, 1860-70;” and finally refers to the lists of members for 1872 of the Athenæum, Oriental, and other clubs.

The quotations from Buckle and Gavarret's works are in support of the proposition that “the duration of human life is everywhere increasing.” I suppose that this may be in the main accepted, although we are without sufficient statistical evidence that such is the fact. Mr. Samuel Brown is called up to give evidence that the value of official civil and military life in India—dividing, say, the century preceding 1871 into decades of years—has improved in a very marked manner, and that the improvement is still going on. This, indeed, was long ago shown by Neison. I pass over the cholera and Presidency gaol statistics introduced—interesting, no doubt, as forming an illustration of the argument, but not bearing with sufficient directness on the point at issue.

But the most important new facts now introduced into the controversy by Dr. Mouat, are the statistics of the deaths amongst railway employés in India, as obtained from the reports of Mr. Danvers, the Government Railway Director. I pass over the table on page 31, because the data is of too limited a character; and of the deaths, “those caused by the Mutiny are not included.” On page 35 it appears that during seven years preceding 1871 the mortality was about 9 per 1,000, and specially for 1870-71 it is given at 12 per 1,000, for the whole of India; the number of European railway employés observed being about 3,000, at ages ranging from 25 to 45; and the mean rate of deaths in England at those ages being, according to Dr. Farr, 8·15 per 1,000.

This is, no doubt, a very curious fact, if the figures and the processes by which the results have been obtained can be relied on—of which, by the

way, Dr. Mouat declares himself not too sanguine ; on the other hand, it seems that all railway employes, before being selected, undergo a very severe medical examination ; and, according to Dr. Brinton, the official Government Examiner, in a year's experience, one in five was rejected, the average age at examination being thirty ; while, as to the candidates generally, he says, "In all my life-office experience, I have never examined a body of gentlemen at all approaching them in respect of the vigour and health they have collectively shown."

Then, as to the deaths amongst European soldiers in Bengal, as obtained from the Army Medical Department, during the decennium ending 1870, these ranged from a minimum of 20 per 1,000 in 1860 to 46 per 1,000 in 1861 ; which, bad as it is, "must be considered a great improvement on the 69 per 1,000 of the period prior to Lord Herbert's Commission."

Upon the whole, unless our views are materially modified by the return of deaths amongst Indian officers during the decade ending 1871, promised by Dr. Mouat, and which he says will indicate a death-rate not exceeding 17 per 1,000, these for the present must remain unaltered.

The general result of the whole inquiry appears to be this :—

That in practice it would be exceedingly convenient if life insurance offices could adjust a premium applicable to the whole world.

But that this is impracticable, for the simple reason that an English farmer or lawyer will decline to pay the same rate as an Indian indigo-planter or lawyer ; and that these latter, again, will most decidedly kick at being charged the same, for instance, as an officer on active service against the Ashantees.

That the value of life amongst Europeans in India has improved, is improving ; and that this amelioration is likely to continue.

But that at present we are without the means of exactly measuring the extent of this amelioration.

And finally, that hence it is quite premature reducing the rates of premium for India to the European standard.

The CHAIRMAN said he was glad to observe in the room several gentlemen eminently qualified to throw light on the subject, and he hoped they would give the meeting the benefit of their opinions.

Mr. WALFORD (Institute of Actuaries) said he had come to the meeting rather to listen than to speak ; but as Mr. Tait had done him the honour to allude to him in the course of his address, he would venture to say a few words, although he by no means intended inflicting

a lengthened analysis of statistics upon the meeting. Mr. Tait had put the whole question with exceeding fairness, and his personal knowledge of the subject rendered his observations of importance. No mere fragmentary evidence was sufficient to justify the departure by any company from the beaten track of past experience—and in this view Mr. Tait evidently concurred. (Hear, hear.) One sound, thorough, fairly-constructed table of mortality would settle the whole question. For his own part, having read the papers written by Dr. Mouat, he was bound to say that, with every disposition to sympathize with his views, he thought he had utterly failed to satisfy a strict inquiry into the principle of allowing equal insurance rates for India and England. (Hear, hear.) Life insurance—and he spoke as one who had studied the question for the past twenty-five years—was far too important, too sacred a matter to be made the subject of experiments; each step should be certain. In the early days of life insurance, when the study of the statistics of mortality was as yet undeveloped, it was found impossible to calculate the premiums so closely as could be done now; and hence the companies rightly made high rates in order to be on the safe side in India; and they were perfectly justified in adopting this course. (Hear, hear.) Thus it is that some of them periodically share the surplus which has arisen from their operations, and by these means rendered life insurance an equitable contract. Nevertheless, it must be admitted that some of the Indian offices had not been quite so just in their mode of assessing Indian lives, although they pleaded the fear that the mortality must of necessity become large in the later years. With these it had been a habit of prudence to do, perhaps, some injustice in the way of high premiums, and by being very guarded in relation to the distribution of profits to the Indian policy-holders; they had thus naturally caused some discontent. But even of this it would be said that they had erred on the safe side while acting on the maxim of life insurance—entire safety. If the experiment of low insurance rates was to be tried at all, it should be by a “mutual” office, and then, if the business proved unremunerative, the loss would be borne equally, while a profit would be similarly divided; but the office which was trying the experiment was not established on this principle. As to the mortality and the rate of interest, the experiment was being tried on too close and narrow grounds; in fact, the larger the business at first, the greater, he feared, would be the loss at some future time. One could not forget the occurrences in America immediately after the two large fires there. The merchants and principal men met together, not to ask the insurance companies to decrease their rates, but to increase them. The men of commerce in America truly said that if their customers failed,

they would not lose all their property; if the banks failed, they would not lose all their capital; but if the insurance companies failed, there was an end of business operations and enterprise altogether. And hence they petitioned for an increase in the rates in order to make insurance absolutely secure. In conclusion, Mr. Walford strongly deprecated the lowering of rates to a point of danger, as offering a forcible contrast to what was being done by the enterprising and far-seeing merchants and traders of America.

Mr. C. A. LAWSON said his conviction was that in India, in respect to life insurance, they were being taxed for a state of things which no longer existed. (Hear, hear.) He held in his hand a published communication from the Sanitary Commissioner of Madras, Dr. Cornish, a well-known and accepted authority in scientific circles; and the opinion which that gentleman expresses is that the chances of life are hardly less favourable in Madras than they are in England. He (Dr. Cornish) says that it would be obviously unfair to accept the Army death-rates as representing the mortality in the class of persons who resort to life insurance. Soldiers are, from their mode of living and other circumstances, more liable to succumb to epidemic influences in the tropics than those who live in separate houses; and, consequently, he contends that the death-rate of the European Army in India must always be taken as an extreme rate, much above the average of the civil community who are in fairly good circumstances. Moreover, while it may be true that the death-rate in the British Army serving in England is between 9 and 10 per 1,000, or less than one-half of the Indian rates, Dr. Cornish points out that the two armies do not really admit of comparison in regard to death rates. In England, if a man is known to be a victim to phthisis, or incurable disease, he is at once invalided, and his death, when it happens, is included in the general register of the civil population. The annual average of discharges from the Army in England for physical unfitness is about 37 per 1,000, and it is a well-known fact that many of these are discharged simply to die. In India the probabilities are great that invalids of this class will die before they can be shipped home, and it practically happens that many do die, either in India or on the homeward voyage, and swell the mortality bills of the Indian Army. "From a mere glance at Army statistics," continues Dr. Cornish, "insurance companies would no doubt be justified in charging double rates all round for Indian lives; but I have said enough to show that the death statistics of the home and Indian armies are not fairly comparable, and that they do not help us at all in forming an opinion whether the class of persons who form the *clientele* of an insurance company should pay an extra premium for the privilege of living in India. The life tables of the several Service

"funds were formed on data no longer applicable to the conditions of "Indian service." It would be only fair that the insurance companies which cavil at the tables of others as being unsuited to Indian rates of mortality, should publish their own experience. Dr. Cornish says, "As "a policy-holder in the Madras Equitable, it is only right that I should "mention that for many years past I have been paying lower premiums "than I could have insured for in any English office had I been residing "in England, and that the high rates existed for only the first five years "of insurance. The financial position of the Madras Equitable Office is so "thoroughly sound, notwithstanding the reduction of premiums on old "policies from 50 to 60 per cent., that it might, in my opinion, safely go "further in this direction, and lessen the burden to policy-holders during "the early years of insurance, instead of deferring the reduction until the "policies have had an existence of some years. The experience of the earlier "part of this century is no longer applicable to life insurance in India in the "present day. We have got beyond the hard living and heavy drinking "days which some of us now living can remember." Dr. Cornish adds, that all Europeans in India are liable to be attacked by swift and sudden, sometimes fatal illness; but, on the other hand, they escape many of the ailments common to the treacherous climate of their native land. "Fevers, fluxes, and hepatic diseases take the place of consumption, lung "and kidney disease in the colder climates; and when we come to sum up "the mortality for one or other country, there is not very much to be said "in regard to the advantage or disadvantage of Indian residence." It is abundantly clear that the rates charged for the extra risk, if there be any, in residing in India, are much too high in most offices; and the insurance companies, if they wish to conduct a remunerative business in India, must adapt their scales of premium to the ascertained risks shown by modern experience to be really necessary. The question they have to consider is, not whether we shall pay English rates, but whether we shall continue to pay the extreme rates of thirty years ago—whether, in fact, Anglo-Indians do not now deserve better treatment. If a proper examination of the various facts afforded by eminent officers were brought forward and considered by the insurance companies, the result would be in accordance with the wishes of the Indian policy-holders.

Mr. SAMUEL BROWN (late President of the Institute of Actuaries) said he was sorry the tone of the discussion had been in favour of the question whether life insurance should progress in India or not, rather than upon the observations of European mortality in India. When it was considered how many Englishmen had been to, were going, or were already in India, and when it was remembered how easily these numbers might be doubled or trebled, it would be seen how important was

the question of mortality in relation to them. With regard to the probability of life insurance business in India ever being profitably reduced to European rates, he was afraid that the attempt made to do so was not likely to be successful; for his opinion was that the present state of European life in India would not justify equal rates for Europe and India; and, therefore, he thought the older insurance companies did wisely in holding aloof from competition with another in the field on these terms. He thought the principal facts from which they could derive real information as to the rate of mortality among Europeans in India must be obtained by going back to those collections of data which have been compiled in the civil and military funds. (Hear, hear.) They possess an authenticity, accuracy, and perfectness of data which can be found in no other source. Each member of the fund produced a certificate of medical examination at the time of his entry, and imperfect or defective lives were not allowed to join the service. The date of death is carefully recorded, the date of birth, the date of marriage, and frequently the date of the birth of children—the whole forming an important and curious register of statistical information. As he had lately informed the Institute of Actuaries, he had been examining these registers with a view of ascertaining the facts with regard to the mortality of the civil and military services of the three Presidencies; and he had collected in the military funds facts over a period of 50 years, with 14,000 entrants and 6,000 deaths. These were ample materials for a most careful and accurate estimate of the value of military life in India; and the conclusion at which he had arrived was, that there was a constant 2 per cent. extra on the rate of mortality in England. Among civilians the numbers were not so great; but still he had had the opportunity of putting together about 40,000 years of life and 900 deaths, and these formed a solid and useful body of facts. In this case the conclusion at which he arrived was, that the lives of civilians in India follow the same rule, there being a constant extra on the rate of English mortality of about 1 per cent. upon all the lives at risk. So that if a given civilian life were charged in England 1 per cent., in India it would be charged 2 per cent., and so on. It could not be denied that the value of life in India had greatly improved; still it was better to take the observations over a course of thirty or forty years rather than over only the last ten or twelve, because the chances of fluctuations would upset any calculations based on a short term of observation. Entertaining these views, Mr. Brown concluded by saying that his impression was that the company accepting Indian and English lives at equal rates would eventually have to modify its plan.

Mr. J. D. BELL said the subject was one of the greatest importance to Englishmen in India, and the thanks of Anglo-Indians were due

to the East India Association for affording the opportunity for considering the question. Being Chairman of the Positive Life Assurance Company, he felt some delicacy in taking a part in this discussion, but he did so not as such chairman, but as a member of the East India Association; and he must decline to enter into a discussion there of the respective merits of companies, but to discuss the matter wholly as such member. In that capacity he begged to thank Mr. Tait for the very fair and impartial treatment of the question which was given in his address. Indeed, he hoped the address was only introductory to a general and extended review of the subject, because the tables given by Mr. Tait were neither sufficiently full nor satisfactory to enable his hearers to fairly judge the merits of the whole question. None of Mr. Tait's statistics, it would be observed, came down to a more recent period than 1857; and without giving the grounds upon which the company to which he belonged had based its action, as they were private, he might say they were founded on later information than that. He would, therefore, be very glad to see Mr. Tait extend his tables down to a period considerably later than 1857; and when absolute statistical information of this kind had been obtained, upon which the fullest reliance can be placed, it would be absurd to kick against the conclusions to which they would lead. Meantime, however, his company believed they were right, and saw no reason to vary the course they had adopted; and every man who has been in India during the last ten years confirmed his own experience—viz., that there had been an enormous improvement in the chances of life in that period. (Hear, hear.) In fact, the India of the present day was as unlike the India of 1857 as the England of 1874 is unlike that of 1774. Mr. Samuel Brown, for whose abilities he had the highest respect, urged that a period of ten or fifteen years ought not to be taken as the basis of observation, on the ground that fluctuations cannot be allowed for in so short a time. But they need only call to mind the change which has occurred in India in that period to see that there was the best reason for taking it into consideration. At the commencement of that period the journey to India was tedious, and involved the maximum of discomfort; it was, in fact, a dreadful task. Moreover, the means of transit in India were quite undeveloped, whereas there is scarcely a part of India now where a European cannot reach the sea in four days; and the journey to and from the home country is swift and easy, so that holidays of comparatively short periods can be spent as easily in England as in nearer parts. In fact, the difference between then and now is so great that people in England may fairly fail to appreciate it. Liver complaint and dysentery are the two killing diseases in India; and these, as a rule, disappear when the patient is re-

moved speedily to the sea, which now could be done with facility. The improvements which have taken place in the last few years cannot be taken away. On the contrary, they must continue to increase in scope and volume as time goes on; and therefore the fear of reaction which Mr. Brown expressed seemed a baseless one. Mr. Tait gave some facts himself which forcibly answered his own arguments. Mr. Tait served as manager, in India, in that insurance office which, as he says, started in India with a credit for 500*l.*, and which issued policies for 9,000,000*l.*, and paid claims for 2,000,000*l.* This office "never cost the parent office "one shilling, but defrayed all its own claims and expenses, including "the abnormal losses by the Mutiny, and has, during the last ten years, "remitted in cash to the head office upwards of 350,000*l.* sterling." In fact, its remittances kept the office at home alive, and, when the collapse came, the only good asset existing was the Indian business. (Hear, hear.) When, as Mr. Tait pointed out, the shares of some of the insurance companies were selling at a premium exceeding 7,300 per cent., another 450 per cent., and another 225 per cent., to what conclusion did such a fact direct the inquirer? If the Indian business was of such a remunerative character as to enable an office bankrupt as to English assets to hold its head above water for years, and if the shares of others were estimated at the enormous prices named, it showed that more than legitimate profits were being made out of the Indian policy-holders. (Hear.) The East India Association inaugurated the discussion of this subject in the interest, not of the companies, but of the policy-holders; and, looking at the matter from the policy-holders' point of view, he would repeat that the premiums which enabled companies to pay such enormous dividends, which enabled a newly-started company to pass safely through the losses of the Indian Mutiny, and still send large sums home to the parent office,—the premiums which enabled all this to be done must be excessive—(hear, hear)—and, as such, unfair to the Indian policy-holder. (Hear, hear.) He was convinced that, with regard to the purely European lives in India, his company were justified in accepting rates for policy-holders equal with those fixed in England; and he would be only too glad to see the other companies adopt a more reasonable system than the one they had so long pursued. The Positive Company might by some be thought to be wrong, but they believed they were right; and, right or wrong, the subject was one which merited the attention of the East India Association, for it required the most careful inquiry, and was of vital importance to Englishmen in India. If it were true, as Mr. Tait admits, that the rates on Indian lives were far too high, and that great sums of money were extracted from the pockets of the policy-holders for the benefit of the parent office, two questions were naturally suggested:

why did that system ever commence? and why was it not long ago abolished? ("Hear, hear," and cheers.)

The CHAIRMAN said he was glad that the subject which had been brought forward had been discussed by such able hands; and he took it that the debate would be of great use to the secretaries and managers of insurance companies, in showing that the terms upon which they take Indian business should be subject to material modification. One grand mistake had been made, and it was often made, in the consideration of the subject;—they regarded India too much as a whole. India was not like England—a comparatively small island; but it was a country—a continent almost—of enormous extent, presenting the widest differences of climate and general conditions. Hence the chances of life varied considerably in different parts of India. That India had improved in the life insurers' point of view, was beyond a doubt. Calcutta and Bombay have made wonderful sanitary progress, so that the death-rate in those cities is hardly greater than that of London—viz., 20 to 23 per 1,000. At Madras the death-rate is 35 per 1,000, but that is because the water-supply there remains execrably bad. (Hear, hear.) As for the statistics and results of the different funds, he attached no importance to them, because each has been proved to be incorrect and at variance with the others, and they have been remodelled three or four times, and each time gave a different result. The whole thing is, to use a colloquialism, "in a wretched mull;" and when the accounts are made up there must be considerable loss. In the northern parts of India the chances of life were better than in the south, because at the approach of ill-health one may always easily reach the cool air of the Himalayas. Nor, as had been pointed out by one of the previous speakers, was the mortality of the Army a fair criterion of the general value of life, for the Army was subjected to the changes of climate and the risk of diseases originating in a barrack and military life. So that no calculation could be based on Army mortality which would serve for the ordinary European policy-holder. Still, there was much to be learnt on the subject; the statistics brought forward by various opposing offices were confused and confusing. His own opinion was, that Dr. Mouat and his followers were sanguine in estimating the Anglo-Indian's life equally with that of the Englishman at home; while Dr. Ewart and his school belonged to the pessimists in urging the continuance of the old high rates of premium. The truth probably would be found between the two extremes, and a middle course would have the merit of safety. In conclusion, the Chairman thanked Mr. Tait, in the name of the meeting, for the excellent address which he had delivered.

Mr. TAIT briefly expressed his acknowledgments, and moved a vote of thanks to the Chairman, which was cordially carried.

*Indian Bureaucracy : Its Features or Secrecy in  
Officialism.*

A MEETING of the Bombay Branch of the East India Association was held at the Framjee Cowasjee Institute, on Saturday, the 31st January, 1874, at 5.30 P.M. On the motion of RAO SAHEB VISHWANATH, NARAYEN MANDLIK, seconded by Dr. ATMARAM PANDURANG, Dr. GOMES, G.G.M.C., was voted to the chair.

The CHAIRMAN commenced the proceedings by calling upon Mr. JAVERILAL UMIAHANKAR YAJNIK to read his paper on the above subject.

Mr. JAVERILAL said: Gentlemen,—It is necessary that I should offer you some explanation as to why I have chosen this subject for your consideration this evening. Some months back, the Managing Committee of the Bombay Branch of the East India Association, considering it would lead to a better understanding of public questions in this country, and tend to promote the growth of a healthier public opinion in England on Indian subjects, if official information concerning them were made more readily accessible to the public, proposed to send up a memorial to Government, pointing out the kind of papers and proceedings which might be published before their final disposal, without breach of official secrecy, or prejudice to the interests either of Government or of the general public. A Sub-Committee was appointed to report upon this, and to draw up a memorial.\* In the meanwhile, the necessity for further light from official sources became more apparent than ever, from the turn which several practical questions began to assume in this Presidency. Some of the members suggested that it would, perhaps, equally serve the purpose which the Managing Committee had in view if the subject was put forth in the shape of a paper before this Association, discursive though the treatment of it might be, and accordingly requested me to draw one up. As, however, secrecy is one of the features of bureaucracy in India, I propose in this paper to submit some considerations on the larger subject, which will include points specifically aimed at by the Committee. With this brief explanation, I proceed to the subject.

\* Resolution of the Managing Committee of the Bombay Branch of the East India Association, dated the 13th March, 1872, appointing a Sub-Committee for the purpose.

It is related of the famous Raja Bhoja, of Avanti, that he often had a curiosity to learn what his subjects thought of his rule and of his measures for general welfare. To gratify this desire, he occasionally made evening excursions through his capital, in the guise of an ordinary citizen, stopping at public squares and thoroughfares to overhear what opinions were passed upon his acts. Similar stories are told of other Indian Princes noted for their good government. In our day this might be considered a rude and doubtful method of procedure in gauging public opinion, but under the circumstances of despotism and the state of civilization which obtained in those days, it was, perhaps, a convenient mode of obtaining an insight into the public mind. The moral which the anecdote points to, however—namely, the necessity on the part of rulers of looking to public opinion for a guide—has always been considered a principle of great value in administrative policy, and is practically carried out, in a more or less effective manner, by all civilized nations. When Native rulers of this country, trained in the traditions of the people, and guided by the same national instincts as inspired their subjects, considered it necessary to consult public opinion, rude as their method of consultation was, what shall we say of its importance in our times? (Hear, hear.) In the government of a great dependency by a foreign power, the fact that the traditions and national instincts of a non-homogeneous subject population are different from those of the governing race, must be ever present before the rulers of the country. The need to understand them cannot be too great. Now, the British Government in India is a century old. In the course of this period it has certainly done great things in this country—things which the previous rulers of the country could never have dreamt of. It has conferred blessings, comparative and absolute, which, in all probability, the people would hardly expect to secure under another foreign Government. Our living in times of peace and order cannot certainly blind us to the value of those blessings. Tranquillity reigns from the Himalayas to Cape Comorin, and from the Gulf of Kutch to the Bay of Bengal. Let the hold of the Government over the country be a little slackened, and you will see numberless hordes of marauding hill and jungle tribes, and those on the plains, who have taken to the ploughshare and the field in exchange for the sword and the arrow, spread over the country in pursuit of the lawless course of life to which they or their forefathers were accustomed, endangering life, liberty, and property. The material improvements which have been and are being effected afford the best testimony of English enterprise. We owe it to the energy of the Englishman that the country has been pierced with the railway and girdled with the telegraph. His construction of roads has brought remote and inaccessible

parts in the interior within easy reach. We have magnificent canals, stupendous bridges, palatial barracks, and public works of every description springing up with rapidity, and changing the face of the country. They are evidences of English public spirit. Schools, colleges, and universities indicate the desire of our rulers to raise us to the status of civilization which obtains in their own land. Public service in the country has been so organized, and the general administration so regulated, as to admit of the officers of Government coming into close contact with the people, and learning the institutions and wants of the country. And yet, with all this progress, with all the advantages and opportunities which, as rulers of a great country, they command, it cannot be said of the governing class in India, as a whole, that the problem of assimilating the different subject races to them has yet been successfully solved, or that they have obtained such an insight into the condition, institutions, wants, and feelings of the masses as to enable them to fulfil their duties and responsibilities independently of any external aid. I do not speak of knowledge in regard to the people at the centres of Government, where, perhaps, there are somewhat better opportunities of ascertaining their sentiments. It is to the great bulk of the population in the Mofussil—whose voice is unrepresented in the councils of our executive or legislative Government, local or supreme—that my remarks have particular reference. Those who have the destinies of these people in their keeping cannot be said to know accurately all that the people do not want and do not desire. This is a negative knowledge certainly, but to a Government situated as the British Government in India is, and must to a certain extent ever be, it is of very great importance in the work of administration. That this knowledge on the part of our rulers is at best imperfect, appears from the hitherto unsettled character of many questions of Indian polity—from the necessity which the Government is too often put to of amending, re-enacting, and of further modifying existing laws, within a comparatively short period of their existence, in the name of “consolidation” and improvement—from the anxiety, and even alarm, which the constant making and unmaking of laws beget—from such measures being often opposed to the known or declared wishes of the people whom they are to affect—from the departure from the line of policy laid down by those Anglo-Indian statesmen who had won the esteem and confidence of the people—(hear)—and, lastly, from the fact that a more intimate knowledge of the feelings of the people would make our rulers pause, reflect, and desist from a policy proposed to be carried out.

But while such is the position of the Government in respect of the people, that of the people in respect of the Government is no better.

There is often a misunderstanding of the action and, sometimes, of the motives of Government in regard to many current questions of administration. The desire on the part of the public, however, to arrive at a proper understanding of these questions is, it must be confessed, not wanting. With the progress of education and the spread of intelligence, this desire has not only steadily increased, but has latterly assumed the form of a complaint which no Government, and, least of all, a civilized Government that has the good of its subjects at heart, would wish to pass unheeded. (Applause.)

In England, too, in spite of the general indifference of the British public to Indian subjects, there are signs of a growing desire on the part of a portion of that public to know more of the real condition of this country and of the feelings of the people on questions of current interest, as recent public discussions on the approaching Bengal famine testify. Public men in England make it their business to study Indian questions amidst much that there is to occupy and absorb their attention in their home politics. Intelligent Natives of India, during their sojourn in England, sometimes form centres of attraction wherever they go, and the inquiries which are made of them as to what the people of India think of British rule, and what are the obstacles to the advancement of the Indian nation, is a proof of this interest—interest in which, it must be confessed, the inquirers are actuated by a desire to be in some way instrumental in promoting the good of India. Then there is the public press in England, which—though not well-informed on many matters relating to movements, social, moral, political, and religious, in this country, is beginning to bestow its attention on Indian affairs. In the periodical literature of the day, also, Indian questions find a place, which, though utterly disproportionate to the magnitude of the interests involved therein, is a further evidence of the interest excited in the British public through the agency of retired Anglo-Indians and others, and by improved communication established between Europe and India. Then, again, in the debates of Parliament on Indian affairs, at the discussions at the East India and other public Associations in London and elsewhere, and in the appointment of the East India Finance Committee, and in the prolongation of its sessions from year to year, there are proofs to us of the growing wish of the British public and of British statesmen and philanthropists to learn our present condition and to study the problems of our future welfare. It is true that as yet India finds no place in Her Majesty's addresses to Parliament, except in case of a grave calamity, a famine, an epidemic, or a political disturbance; and that the exposition of the Indian Budget has to be made before empty benches of the House of Commons. It is to be hoped that this indifference to

Indian interests will pass away. But, apart from all this, there are many ties of personal interest which bind an Englishman to India. There is, in the first place, the prestige which England enjoys among the civilized nations of the world by reason of her Indian Empire. To maintain this prestige is, and must be, an object most dear to the heart of every Englishman. Then there is the field open to British-born subjects of Her Majesty, in the civil and military services of the Empire; competitive examinations to test qualifications for such employments; the study of Indian languages, Indian history, and of Indian institutions, which this test imposes on all who seek employment in these services; family connections; the intimate commercial relations into which this country has been brought with India and Europe, especially within the last few years; the scope for employment which India gives to the great centres of productive and manufacturing industry of Great Britain; the cry of Manchester to improve the material resources of this country,—these and many others are ties which, irrespective of the philanthropic motives of a class of Englishmen referred to above, not only kindle, but keep up an ever-living interest on the part of the British nation in a knowledge of Indian questions.

In spite of the existence of this desire, both in England and India, it seems there are difficulties in the way of its gratification. Some of the hindrances which prevent a knowledge of public questions in India, and act as a bar in the way of establishing a better understanding between the rulers and the ruled—an object so desirable in the cause of good government and of permanence of British rule in India—are at once the features and effects of its bureaucratic character. They are—

(1.) A somewhat too hopeful or too glowing view which pervades the governing class as to the condition of this country and the effects of Government measures upon it.

(2.) The growing rigidity of relations between the State and the people, especially the rural classes, resulting, financially, in the impoverishment of the country, and, politically and socially, in a want of sympathy between the two.

(3.) The want of an adequate measure by the ruling class of progress which India has already made under the influence of British civilization and of the obligations of Government arising therefrom.

(4.) The absence of external control to check official indiscretion, bordering on caprice or arbitrary action.

(5.) The official custom of withholding until completion, and after a final decision has been arrived at, of papers and proceedings of Government relating to public questions and the general measures of the executive Government.

I. With regard to the first of these features, it is an acknowledged fact, as I said above, that the British rule in India is a real blessing to the country. That many improvements have been introduced during the last thirty years, tending to ameliorate the condition of the people, is a fact the proofs of which are too palpable and abundant to need enumeration. That many changes have been made having for their objects the better management of the affairs of the country, is undeniable; but when it is asserted that this constitution of the Indian Government has reached such a state of supreme excellence that "few changes can be suggested which would be improvements;"\* that the general condition of the country shows such advancement and prosperity that "pauperism is practically unknown;"† that the British Parliament and the British nation have too much confidence in the Government in India to think of embarrassing it "by advice which it would be difficult to follow;" that the members of the House of Commons who interest themselves in Indian affairs "cannot, by any stretch of courtesy, be held competent to advise the Secretary of State as the members of his Council, composed of experts in every branch of Indian administration;" that any agitation against the Government "which is reasonable under constitutional and absurd under despotic institutions," is to be deprecated, any criticism on its measures is to be condemned; because "the Natives who read it and the vernacular papers which translate and republish it, will be unable to estimate the weight which the House of Commons and the English people place upon it;" that it weakens the authority of the Viceroy, and disturbs the self-complacency of Governors, Lieutenant-Governors, and Provincial Commissioners,—when, I say, such propositions are confidently advanced, it becomes necessary to inquire how far there is truth and justice in them. The fact is, the equanimity of Indian officials is disturbed by men like Mr. Fawcett and others in England, who endeavour, as far as lies in their power, to arouse an adequate amount of interest in Indian affairs; whose study of Indian subjects enables them to put searching questions to witnesses under cross-examination before the East India Finance Committee, to see what is the "other side" of Indian questions, and thus to evolve the truth about them. The House of Commons is considered incompetent to decide such questions, because Mr. Fawcett shows, in reference to the annual glowing deliverances of Mr. Grant Duff on the progress of India, that the present constitution of the Indian Government fails to secure efficiency and

\* See a paper entitled "The House of Commons and Indian Finance," by Mr. Lepel Griffin, Secretary to the Punjab Government, in the October number of the *Fortnightly Review*, 1873, page 490.

† *Ibid.*

economy in the management of the finances of the country ; that in the Public Works Department there is waste and extravagance ; that the Saugor Barracks—which cost the Indian taxpayer fifteen lakhs of rupees, and which took the Indian Government four years and a-half to build—were found, after their construction, to be so unfit for use that pulling them down was considered as the best course which the Government could adopt ; and that imperial, provincial, local, and municipal taxation has been carried to such limits that, if ever the necessity arose of raising additional revenue by increased taxation, there would be great difficulty in finding legitimate sources. The financial condition of India is different from that of England. In England the duties on tea, sugar, tobacco, and spirits, and the amount raised from the income-tax, show a steady increase every year, from increased consumption, consequent upon growing prosperity. The result is that the expenditure of the country, great and increasing as it is every year, is not only met from increased revenue, but there is reduction of taxation. Any emergency, therefore, is easily met by a slight addition to the duties. The case with India is different. Here the growing expenditure of the State has to be met by increased taxation chiefly, and of this taxation, it would appear, the extreme limits have not only been reached, but overstepped ; so that in every emergency the Government is perplexed to find its ways and means.

But if “in point of efficiency the administration has probably no equal in Europe or Asia,” how comes it that in its Foreign or Political Department, questions affecting not only the relations of the Paramount Power with the Princes and Chiefs of India, but the relations of the latter with their own subjects, are generally disposed of without allowing the Native rulers opportunities of hearing and refuting the statements made against them—opportunities allowed to the meanest subject of Her Majesty ? If the financial condition of India is everything that can be desired, why shirk outside criticism ? Why dread the opposition of the House of Commons, if its “members are most clamorous when they are “most wrong” ? Why misunderstand those who are said to take the part of Her Majesty’s Opposition in this country ? Why denounce the press in India ? Is it not the case that the best of governments need light, and that such governments have reached their present state of excellence because of this light ? Most especially must this be the case with a foreign government in India, whose principles are professedly drawn “from a practical knowledge of the country, whose prejudices “must be respected even when most extravagant.”\* The plea that any interference on the part of the House of Commons in England, or any criticism in this country, weakens the hands of the Government in India,

\* *Fortnightly Review* for October, 1873.

might have had some force twenty or thirty years ago ; though the House of Commons *did* interfere, even then, in extraordinary cases. But it is untenable at the present day, and perhaps unworthy of those who hold India as a sacred trust, and are responsible for the good government of the country. The Court of Directors courted inquiry into their management, and Parliamentary committees sat to inquire into the condition of India, at the period of the renewal of their charters, and yet such inquiries and such criticisms as they provoked scarcely ever rendered the East India Company's hold on the country less strong, or caused its prestige to suffer. As a matter of fact, the English press in this country *does* report to the people Parliamentary and other discussions on Indian subjects, and the vernacular press *does* translate them into the languages of the people.

But it is said that "a Committee of the House of Commons has been sitting for many months to consider the subject of Indian Finance, and "yet there is no sign that their labours are approaching a termination. An enormous mass of evidence has been recorded ; numberless "witnesses have been examined—some whose views are entitled to the "utmost respect, and many whose opinions are not worth the paper on "which they are printed." But the officials who are thus tired of the labours of the Committee, scarcely seem to bear in mind the difficulties and the disadvantages under which the Committee has been working. Is it not the consciousness of these difficulties which protracts its sessions from year to year ? If the conclusion which the Committee will embody in their final report "might have been safely predicted at their "first sitting," there would have been no necessity for honourable members of the Committee to prolong their sessions. And "if after its successive sessions, the Committee will be unable to advise any changes "or improvements in the constitution of the Government in India, or of "its system of management," it will certainly not be because there is no room for changes or improvements, but because Indian Finance is a very large and difficult subject, and the Committee has been sitting several thousands of miles away from the country into whose condition it is examining. This distance prevents it from getting that information which it would obtain if the members of the Committee were to grace this country with their presence, meet the people face to face, and see with their own eyes what the actual state of things in India is. They would then be able to decide between hostile theories and opposite views, by proofs of living facts ; to see "how far the weight of Lord Lawrence "in one scale is counterbalanced by that of Sir Charles Trevelyan in the "other ;" whether, and if so, how far, General Strachey's defence of the Public Works Department is as "masterly as any attack made upon it ;"

and whether Indian Engineering Colleges at Roorkee and Poona would not produce as good engineers as Cooper's Hill College. If Native gentlemen, "who may be invited to give their evidence, will complete the confusion by expressing views either in accordance with what they believe to be the policy of the Indian Government, or ignoring the essential conditions of our rule," is it not of very great importance, for the sake of this policy and of the essential conditions of British rule in India, that the Committee should see by actual observation how far the policy works, how far there is room for economy, how far the objects intended to be carried out by magnificent schemes may be equally carried out by less showy and less costly works. But the entire frame of mind in which the policy of Government works prevents it from getting at the true state of affairs. It makes them forget that it is the agitation on the part of the members of the House of Commons which has brought about the expenditure of India by about six crores of rupees within the last few years. It also prevents them from seeing whether or not the class of landed gentry in this Presidency, known as Desais, Deshmooks, Deshpandais, Inamdars, &c.—whose position under the previous Government was one of power and influence, and who, at the commencement of British rule in Western India, contributed largely to the settlement of the country—are fast sinking in the scale of society; whether or not the service and non-service settlements of the Wuttundars have reduced the hereditary district officers to a state of political nonentity; whether or not the ryot has been over-assessed; how far it is true that his condition is getting worse—that his indebtedness is on the increase—that land is fast slipping from his hands to the sowkar class, and that the measure which is proposed to deprive him of the remedy he has at present, in a large portion of this Presidency, of seeking protection from the Civil Courts against the acts of Revenue Survey officers, would leave him at the mercy of officers who are thus made judges in their own cause.

II. This brings us to the consideration of the second feature. To show how the relations of the ruling class with the people have come to be more rigid than was ever the case before, would require a review of the whole administrative system of government in this country. This cannot be done here. Without going into details, however, a few general positions may be laid down in regard to the action of Government in this Presidency. At the commencement of British rule in Western India, the efforts of the Government were directed chiefly towards relief measures. The country was in a state of anarchy and misrule. Famines and epidemics were more frequent. In the general insecurity of life and property which then prevailed, the duties of the Government became clear. And no efforts were spared to bring the country to a

state of peace and order. The Government, however, proceeded further than this. It abolished petty taxes, transit duties, village *dustoories* or perquisites, which were known to be of an oppressive character and to interfere in an unnecessary manner with the rights of the people. One of the direct results of this action was a growing sense of comparative freedom and quiet among the masses of the population. For the first time in the course of many years the nation began to breathe more freely. Then followed inquiries into the condition of the agricultural classes, and proposals for a revenue settlement, which, by defining the rights of the people in the soil, should obviate the effects of the excessively high pitch to which the assessment on land was carried by the previous Government and by British officers at the commencement of the rule, and which had reduced the cultivating ryots to starvation. In this way was organized that system of moderate assessments with which the honoured names of Sir George Wingate and his coadjutors are associated in the minds of the people. The new system at once gave a sensible relief to the peasantry from the ruin which had overtaken them. Though during the first years of its working it produced less revenue to the State, yet the extension of cultivation, which was the direct result of its operation, not only made up the temporary deficit, but led to increased revenue. So far for lands held directly from the State. Then followed the question of dealing with the privileged classes. Inquiries were made into the rights of holders of alienated land held under different political tenures, such as jaghires, enams, surinjams, wuttuns, &c. The difficulty was greatly increased by delay. "Had we," as Sir John Kaye remarks, "instituted a searching inquiry at once, and resumed every doubtful tenure—had we cancelled even the undoubted grants of former Governments, and suddenly annulled all existing privileges—such proceedings, in the eyes of the people, would have been the intelligible "tyranny of the conqueror, and, at all events, in accordance with the "custom of the country. But our very desire to deal justly and generously with these privileged classes generated delay and unequal action."\* Then followed the Inam Commission, "that great confiscatory tribunal" which resumed one Inam after another, and which was instrumental in causing, directly or indirectly, the revolt in the Southern Mahratta country. "From one village to another," observes the historian of the Sepoy War, "passed the appalling news that the Commissioner had appeared, had called for titles which could not be produced, and that nothing but a general confiscation of property was likely to result from the operations of this mysterious tribunal." There is a most admirable letter written by Mr. G. R. Seton Karr, and lately re-

\* "History of the Sepoy Revolt," by Sir John Kaye, vol. i., page 175.

produced,\* which accurately describes the state of feeling at the time when this tribunal worked in full swing. "Each day," says he, "produced its list of victims; and the good fortune of those who escaped but added to the pangs of the crowd who came forth from the shearing-house, shorn to the skin, unable to work, ashamed to beg, condemned to penury." "The titles of no less than thirty-five thousand estates, great and small, were called for by the Commission, and during the first five years of its operations (1852-57), three-fifths of them were confiscated."† Notwithstanding the partial and *ex parte* statements drawn up by interested parties and published in Government Selections, the belief of the people that it worked mischief, that its first object was not to confirm titles, but to confiscate them, can hardly be got rid of even at the present day, when its very name is dreaded. In the "Narrative of the Bombay Inam Commission," drawn up by Colonel Etheridge, for the edification of Her Majesty's Secretary of State for India, and published as a set from the records of the Bombay Government, in order "that it may be of much value as a work of reference,"‡ the Colonel has yet to show that he has not carried the resumption principles and policy of his department to their extreme limits—not, in this instance, by having resumed Inams, mind, but by having resumed wholesale intellectual matter from the pages of the *Bombay Quarterly Review*! The article in the *Review* may have been compiled from Government records, and may have been written by an officer of Government, or even perhaps, though the probabilities are the other way, by Colonel Etheridge himself; but surely some acknowledgment was due to the author of the article, whoever he was, for wholesale extracts bodily taken from the periodical,§

\* See the *Times of India*, December 1873.

† "History of the Sepoy War," vol. i., third edition, page 177.

‡ Resolution of the Government of Bombay, No. 2,568, dated 6th May, 1873.

§ The credit of first bringing this to the notice of the public in Bombay belongs to the *Bombay Argus*. The *Indu Prahask* of the 8th December, 1873, goes further and shows, by placing side by side extracts from the "Narrative," and from the article headed "Inam; and What's in a Name?" in the January number of the *Bombay Quarterly Review* for 1856. The *Indu Prakash* goes as far as page 467 of the "Narrative," but it is not necessary to go so far. At page 4, para. 11, of the Selection, appears the following:—

[From the "Narrative."]

By the common law of the country, every acre of land is liable to the payment of assessment to the ruling power *pro bono publico*, and the right to receive that assessment might be transferred to any individual whatsoever, or conferred for the maintenance of any secular or religious office. If to an individual, it was perhaps for service alleged to have been rendered by himself or ancestors, or granted, it might be, out of mere favour and the freak of the moment. Grants of this kind might be free from conditions. Conditional grants would be

especially when Colonel Etheridge acknowledges quotations from Aitchison's Treaties and other authorities. On the whole, the publication of the "Narrative," after the lapse of many years, seems to be an unfortunate mistake. But let that pass.

To turn to our narrative. Meanwhile the cry of Manchester for the improvement of the material resources of this country became greater than ever, and this, together with other causes, had had no small share in influencing the Government in England and India to further changes in the administration. The most important of these changes was the division of the administrative work of the country into departments. Though this system originated before the Mutiny, it did not receive that impetus at the hands of Government then as it has done after the suppression of the revolt. The effects of this system have continued to be felt to this day. The close of the Mutiny was an epoch for great and decisive changes. The government of the country passed from the Court of Directors and the Board of Control to the direct management of the Crown. Her Gracious Majesty Queen Victoria became the Empress of India, and entrusted the control of her Indian Empire to a body of members known as the Council of India. In the Proclamation of 1858 to the Princes and people of India, issued by Lord Stanley, the present Earl of Derby, Her Majesty announced the future policy which was to

those in which civil or military service was exacted by the State direct, or certain duties had to be performed by the office-bearers in a village, for the sake of the inhabitants, in revenue, police, or domestic concerns; also religious grants, which were for the maintenance of worship in the village temples and mosques, or in shrines situated not actually in the village boundaries, with the revenue of which they were, nevertheless, either wholly or partially endowed. In each of these cases the granting power parted only with its own right, which, in case of occupied soil, would be that of receiving assessment.

[From the *Bombay Quarterly Review* (page 156 of vol. iii., January, 1836).]

By the common law of the country, every acre of land is liable to the payment of assessment to the ruling power *pro bono publico*, and the right to receive that assessment might be transferred to any individual whatsoever, or conferred for the maintenance of any secular or religious office. If to an individual, it was perhaps for service alleged to have been rendered by himself or ancestors to the superior, or granted out of mere favour and the freak of the moment; and grants of this kind would probably be free from all conditions. Conditional grants would be those in which civil or military service was exacted by the State direct, or certain duties had to be performed by the office-bearers in a village, for the sake of its inhabitants, in revenue, police, or domestic concerns; also religious grants, which were for the maintenance of worship and the village temples and mosques, or in shrines situated not actually in the village boundaries, with the revenue of which they were, nevertheless, either wholly or partially endowed. In each of these cases the granting power parts only with its own right, which, as we have said, is only that of receiving assessment.

regulate the Crown's government of the Indian Empire. This Proclamation forms the charter of rights of the people of India. It was hailed with manifestations of delight in every corner of the land.

With the Mutiny also closed the period of what may be called bearable taxation. The expenditure of the State increased, and has gone on increasing to this day. The Mutiny was the first and direct cause of this increase. But with it came other causes into play. The necessity of developing the resources of the country and opening it to European enterprise and capital, became greater than ever. Vast schemes of improvement were forced upon the attention of the Government. The extension of railway and telegraph systems, postal communication, irrigation, forest conservancy, vaccination, town and village police, State education, registration of documents, municipal government, &c., necessarily made larger demands upon the Indian Exchequer. To meet this, State revenue had to be increased from every available source. This led to increased taxation, and we have now imperial, provincial, local, and municipal taxes. Under the head of Imperial taxes there has been an addition to revenue from the revised survey and settlement operations. The land revenue of the whole of British India shows an increase from 18½ crores in 1860, to 21½ crores of rupees in 1873.\* In our own Presidency the rise has been from 2¾ crores of rupees, at which it stood in 1860, to 3½ crores of rupees in 1873.† Another source of increased revenue has been the summary settlement of alienated lands under Acts II. and VII. of 1863 (Bombay) and quit-rents from Inamdars. As the amount derived from this source has not been shown under a separate head in Administration Reports, it is difficult to ascertain what its contribution towards the national taxation is. But it must be very large. The stamp law has been extended in its operation from matters of civil litigation and civil transactions to criminal justice and revenue petitions and ordinary receipts for money. The revenue derived from stamps was, for the whole of British India, 45 lakhs of rupees in 1858, and now stands at above 2½ crores. In this Presidency it has risen from 30 lakhs in 1860, to about 60 lakhs in 1870.‡ The assessed taxes—namely, the income-tax, the licence-tax, and the certificate-tax—have had their day, but have now ceased to exist. The forest revenue has been an entirely new source of income. In 1870 it amounted to 12 lakhs. The Registration Department has also been a new feature. Salt has been three times as dear as it was at the beginning of British rule in this Presidency. The entire salt revenue of British India was two crores in 1858, and now stands at upwards of 6 crores, or three times what it was fifteen years ago.

\* "Report of the Committee of the Poona Sarvajanic Sabha," page 73.

† *Ibid.*

‡ Poona Sarvajanic Sabha's Report, page 72.

Provincial taxes in this Presidency—such as the non-agricultural tax (Bombay Act II. of 1871) and the tax on account of municipal police—which were levied to make up a fancied deficit in the budget of this Presidency, have been suspended for a time, and it does not appear likely that they will be revived. Then, under the head of Local Funds, there is the local cess of one anna on land revenue;\* the toll fund,† the ferry fund,‡ cattle-pound fund, staging bungalow fund, sand and quarry fee fund; sale produce of building sites, one anna cess on contracts, and fee on cotton pressed and exported (Act IX. of 1863). These local funds have now swelled to the enormous figure of 60 lakhs of rupees in the Bombay Presidency. We next come to municipal taxation. The Mofussil municipalities in this Presidency have an income, in all, of about 25 lakhs, to raise which different methods have been adopted in different cities, towns, and villages, as found convenient. There is the house-tax, octroi or town duties, tolls, fees for putting building materials on roads, wheel or carriage tax, cattle-pound, fee charged in Gogo for supplying water to strangers, fee on Mowra liquor in Mehemoodabad, Sunnud fees in Surat and Bulsar, fee on market stalls in Broach, Belgaum, and Sattara, liquor-tax, bhungy-tax in Ahmedabad, Tanna, Indapoor, Nassick, Ahmednuggur, and Wai, tax on Mandavas or booths, licence for music in Poona, pilgrimage (jatra) taxes in Saptashring, capitation-tax on pilgrims (Alundee and Jejuri); tax on temporary booths, or *palpattee*, in Alundee and Jejuri, profession and trade tax in Bhimgar, slaughter-house fees in Dharwar, duty on sale of cloth in Punderpoor, Braham-puri, &c., snuff-tax in Sattara, opium-tax in Hyderabad, Sindh, and duty on sale of poison.§

It will thus be seen that no stone which officials] can discover has been left unturned in placing burdens upon the people. In the space of fifteen years, the revenue of this Presidency has been almost doubled. In the year before the Mutiny, the gross revenue of the Bombay Presidency was 5 crores, and the latest Administration Report ¶ gives the actual receipts for 1871-72 to be 9 crores and 37 lakhs in round numbers. Within six years from the period of the Mutiny—i.e., from 1856 to 1862—the additional taxation in this Presidency amounted to 4 crores. ¶ Since 1862-63 direct imperial taxation shows no increase, but in place of it, we have the local funds and the municipal taxation, which, including the income of the Bombay Municipality, comes up fully to a crore of rupees. The excise duties have been doubled in the course of 10 years, being 22½ lakhs in 1861-62, and 44½ lakhs in 1870-71. Increase of expenditure

\* Act III. of 1869. † Act VIII. of 1851 and Act XV. of 1864.

‡ Act XXXV. of 1850. § See Report of the Poona Sarvajanik Sabha, pp. 74-75.

¶ Bombay Administration Report for 1871-72, p. 269. ¶ Poona Sarv. Rep., p. 75.

and the extension of the departmental system went hand-in-hand. There came to be organized, as the wishes and necessities of Government called forth, the Public Works Department, with its Railway and Irrigation Branches, the Police Department, the Postal Department, the Telegraph Department, the Educational Department, the Forest Department, the Vaccination Department, the Registration Department, the Cotton Department, and that department of recent growth, the Department of Agriculture and Commerce. The results of the operation of this departmental system are thus described by a high official of this Presidency:—

“ Previous to the establishment of these departments everything was done through one head, who knew all that was going on in the district. The old system was doubtless an easy-going one : the people were little interfered with, and had their grievances readily listened to and redressed. The new system changed this : power to a great extent passed from the hands of the local officers, while heads of departments were for ever pressing on changes and striving to make their departments pay.”\*

One effect of the increase of expenditure and of the extension of the departmental system was a reversal of policy and a recurrence to the old system of petty taxes and levies which were abolished at the period of the settlement of the country. They were revived in all their integrity, and with, perhaps, more than their old stringency. Heads of departments manifested such an itching for increasing revenue, or, at all events, of making their departments self-supporting, that scarcely anything except bare-faced injustice stood in their way. Accordingly, the rules of departments, especially those departments which came into direct intercourse with the people, became stricter and more rigid than ever. And no section of the population have felt this harshness more than the peasantry, than the land-holding and land-owning classes. There has been rigidity and strictness in the revised settlements of land ; in a wholesale prohibition of free grazing of cattle on lands (called Charha in Gujerat and Gairan in the Dekkan) set apart for grazing purposes by the village community, and in assessing them with revenue ; in the charge of interest on overdue instalments of revenue at the rate of half a pie per rupee per day, or 94 per cent. per annum ; in disallowing the payment of the common village expenses—the Gaum Kharach or *Mal Vero* of the village community—as was the case before at the period of the annual Jumma bundy collection ; in the levy of the extra cess on wells—the property of the cultivating class ; in the summary settlements of lands wholly or partially exempt from land revenue ; in the enactment and operation of the City Survey Act ; and in the settlements of service Inams, and of alienations in land and cash. The right of villagers to

\* Reports of Taxation in British India, 1872, page 574.

take sand and earth from the neighbourhood of their village has been disallowed. The produce of grass lands, which was divided in common by the village community, is now annually sold by public auction by district officials. The rules of the Forest Department have worked with severity. Jungle produce, such as "Hurda" or gall nuts in Khandeish, and "Mowra" flowers, out of which the liquor of that name is made in Gujerat, which the Bheels and Kolis looked upon as by prescriptive right belonging to them, is now sold by annual contracts to the highest bidder. Even in lands paying Government assessment, the right of the cultivator to firewood and timber trees grown by him upon it—a right enjoyed by the custom of the country and guaranteed by Government—has been disputed by the Forest Department. These may, perhaps, seem very small matters to us here, but in the village world they are of paramount importance. Referring to the feeling of the people in regard to the operation of stamp duties, Mr. Erskine, Collector of Nassick, observes: "But perhaps a feeling of irritation greater than that caused by the duties above referred to, which affect comparatively few, is occasioned by the law regarding stamping petitions and applications. It is quite beyond the comprehension of the majority why they should have to pay eight annas, because in a criminal case they wish to lodge a complaint, and as to the distinction drawn between offences for which police may and may not arrest without a warrant under the Criminal 'Procedure Code,' this is a distinction of which they know nothing and on which they are as likely as not to be misinformed if they inquire. But this taxing petitions is even felt more in miscellaneous matters; and the feeling that the 'sirkar' will not hear them unless paid for so doing, does not, I fear, raise the Government in the estimation of the majority of those dwelling in agricultural or wild districts."

The financial result brought about by the action of these important changes, and by the increased employment of European agency, is the great economical fact that to adjust the equilibrium between England and India, there is an annual drain upon this country of about 14 crores of rupees.\* It is the tribute which India pays to England for her

|  | IMPORTS.           |                  | EXPORTS.           |                 |
|--|--------------------|------------------|--------------------|-----------------|
|  | Merchandize.       | Treasure.        | Merchandize.       | Treasure.       |
| 1868-69.....   | Rs. 35,99,01,417   | Rs. 15,15,59,544 | Rs. 53,06,21,647   | Rs. 1,39,55,797 |
| 1869-70.....   | 32,92,75,198       | 13,95,48,072     | 52,47,13,756       | 1,04,23,528     |
| 1870-71.....   | 33,41,39,058       | 5,44,48,231      | 55,33,18,252       | 2,22,07,646     |
| 1871-72.....   | 31,08,37,474       | 11,57,38,129     | 63,18,58,474       | 1,47,60,925     |
| 1872-73.....   | 31,26,05,614       | 4,55,65,850      | 55,22,74,950       | 1,29,80,790     |
|  | Rs. 164,67,58,761  | Rs. 50,68,59,826 | Rs. 279,27,87,079  | Rs. 7,43,28,686 |
|  | 50,68,59,826       |                  | 7,43,28,686        |                 |
| Grand Total  |                    |                  |                    |                 |
| for 5 years  | Rs. 2,15,36,18,587 |                  | Rs. 2,86,71,15,765 |                 |
| Excess of exports over imports to the five years ..... |                    |                  |                    | £71,349,717     |

government by means of the excess value of her exports over imports. It is expended in pensions, salaries, interest on guaranteed debt, and the cost of administration in England. The "Home Charges" of India form a very wide subject. It is sufficient here to remark that the balance of trade which India has to adjust with England is a numerical measure of the annual impoverishment of her resources, in spite of large cash balances in Indian Treasuries.

This is enough to show the harshness (to use the mildest term) of the system of administration under departments. There is, however, something more than this. There is want of active sympathy, on the part of the officials, with the people, their institutions, their virtues and failings. It is not my object here to extol the past at the expense of the present; but really we cannot disbelieve ourselves, and cannot dismiss from our minds the impressions left by old grandpapas and grand-uncles of how the "Saheb logues" of their generation took kindly to them, believed their word, rewarded their services wherever meritorious, not, as is now the case, by empty titles of Rao Saheb and Rao Bahadoor, but by khilluts, by grants of land for life, or even on some occasions for two or three lives, and, in rare cases, for perpetuity; how the Collector sympathized with the wants and feelings of the villagers, rebuked them, "struck them on their back, but never on their belly," as the Native phrase goes. The poor ryot regrets to find that the days of paternal government are over, and are succeeded by those of strong personal government.

But it is not merely in the matter of giving and taking that this stiffness of relations is perceptible. There is less intercourse, there is more distance. The desirability of promoting the one and of bridging up the other is admitted on all sides. There may be faults on both sides, but still the fact remains. "It ought to be remembered,"\* says Mountstuart Elphinstone, "that this intercourse with the Natives is as much a "point of duty, and contributes as much towards good government, as the details in which we are generally occupied."

Whether, fifty years ago, it was the separation from home and its associations, and the necessity of making the most of life among people with whom his lot was cast; whether now it is the Suez Canal or the weekly mail, of which advantage can be taken in running back to his native land on obtaining a three months' furlough, and reviving all his associations of English or European society; or whether it is the rapid changes which are coming over the country, or something stern and hard in the English character,—certain it is that the English official of the present day has less hold on the affections of the people; that he

\* "Report on the Territories Conquered from the Peishwa," second edition.

thinks more of home society, home politics, home influence, and less of India, her people, and her institutions. We had tangible proofs of the study of Native institutions and customs, Native literature and chronicles, in the works which the officials of a bygone generation wrote on them, and in the papers which were read before learned societies in India. In our own Presidency, we can point with pride to the standard works of Elphinstone, Malcolm, Grant Duff, Bird, Todd, the "*Ras Mala*" of Kinloch Forbes, and many others, and the papers in the *Journal* of our local Asiatic Society. Not that there is dearth of ability or want of literary skill among the officials of the present day. But either from over-work, or, it may be, from want of interest in such subjects of study, or from some other cause, there is undoubtedly less literary activity of this kind amongst officials, at least, on this side of India. Their position, however, gives them peculiar facilities for such inquiries. "My researches," observed the late Kinloch Forbes—one of the kindest of officials that Gujerat ever had—"pursued, as they necessarily were, in the hours of relaxation from tolerably heavy official duties, were not confined to the Jain and the bardic chronicles: I availed myself of every opportunity of observing Hindu popular customs, more especially such as were alluded to in the writings and traditions which I collected; I procured copies of inscriptions on temples, wells, and tombstones, and I examined every remnant of Hindu architecture which I found myself able to visit."

III. What produces many misunderstandings in these days, however, is the want of a proper measure of the progress of the country by the ruling class, and of the necessities of Government arising therefrom. The British Government in India is certainly not ruling over a people or peoples whose civilization is on a par with that of the Hottentots, the Kafirs, or the North American Indians. India has a language and literature that can well stand comparison with the classical languages and literatures of the most advanced European nations, and which, for philological and civilizing purposes, promises fruitful results from the researches of European and Native scholars. Her philosophy deals with the most subtle problems of the human mind; her logic discusses the most abstruse questions connected with the laws of thought. She has indigenous institutions, a system of law, civil and criminal, and of jurisprudence, as ancient as those of which any country can boast. Her indigenous institutions have stood the test of centuries and the revolutions of dynasties. Nevertheless, they may admit of improvement, and, perhaps, European influence cannot be better exerted than in adapting them to a higher standard of excellence; but it cannot destroy them. And this influence has been exerted with more or less success. There is a

general awakening of the Native mind, a current of progress which cannot be stemmed, but which must go forward when once it has received an impetus, in spite of obstacles. There is a conflict of thought and opinion on many subjects; but this is, perhaps, inevitable, and both the Government and the people must be prepared for it, and must be able to meet it. Shut up your schools, colleges, and universities in India, and there will be no conflict. English education opens to the Native a world of thought. Cease to teach him the methods of European thought—cease to imbue his mind with lessons of history, political economy, logic, and philosophy, and there will be no conflict.

One or two misconceptions, arising from a want of sufficient appreciation on the part of the ruling class of this progress, and of the necessity on their part of meeting it in an inadequate manner, may be mentioned here. The influence of the Native press is supposed to be exerted to a small degree for good, but in a great measure for evil. Referring to this subject, a high official in this Presidency observes:—

“These impressions” (that the Sirkar is not so kind-hearted or beneficent as it used to be at the commencement of its power) “have unfortunately been fostered by the vernacular press, which makes many attacks on Government and Government officers, and spreads abroad as truths statements utterly false. For instance, in a recent issue of a Marathi newspaper, it was gravely stated that the trade in the country had been nearly ruined, and was gradually dying off. This will doubtless be believed by many; and yet the utter absurdity of the statement must be known to every one who has looked into the subject at all, or watched the vast increase in the trade returns periodically published.”\*

If the report in the Marathi paper about “trade in the country being ruined” and “its gradually dying off,” be an instance or a test of the vernacular press spreading, “as truths, statements utterly false,” it may be well to see what are the facts. Now, in regard to trade and industry, there is, perhaps, no feature more noteworthy than that the country really finds it hard to adapt itself to the rapid economical changes which are being brought about in its condition through the agency of the railway, the telegraph, and the Suez Canal. Against some of the inevitable results of these changes there can be no doubt that it struggles in vain. But even here the fact of such results taking place can scarcely be overlooked. The substitution, for instance, of cheap European goods for those of country make has had the effect of supplanting Native looms throughout the country; and, unless indigenous manufacturing industry finds new channels of employment, or is in a position to compete with

\* “Reports on Taxation in British India, 1872,” page 574.

European goods, it must suffer. And yet, strange to say, when some enterprise is shown to counteract the depressing tendency of trade by the planting of spinning-mills in the country, it arouses the attention of the European importer of manufactured goods, and impels him to do away with the import duties on piece goods! The up-country dealer who, a few years ago, brought the produce of the country to the port of export, finds that his occupation is utterly gone, the European merchant going straight to the cultivator, and purchasing produce direct from his hands. There is a levelling tendency all round; no margin of prices between the up-country and the port of export—between India and Europe. Not only is there no margin, but there is often a loss. Indian produce is sometimes cheaper in Liverpool than in Bombay, and cheaper in Bombay than up-country. The European merchant, as well as the country dealer, finds that he is losing his ground. Business of every kind is falling off, and trade is dull and unprofitable. This is not merely believed in by "every one" who has looked into the subject," but is accepted and experienced as a costly reality by all business men in the country. It is quite possible for trade returns to be large enough, and yet for nett results or profits to be *nil*. Shall we wonder then at the Native dealer complaining that trade has lost its *burkut*, and the vernacular press giving expression to this view?

But the statement as to the baneful influence of the Native press is hardly more correct than the illustration. Without pretending to speak of the other parts of India, it may be confidently stated that the vernacular press in this Presidency has generally exerted its influence for good, and not for evil. There may be individual cases here and there of exaggerated statements and angry expressions on the part of Native writers; but, taken as a whole, the Native press on this side of India is loyal and steadfast to the backbone. In the hour of trial it has stood firmly by the Government. Those who accuse it of spreading dissatisfaction among the people seem to forget that it is one thing to be seditiously hostile to Government, and quite another to pass honest criticisms on its policy and measures, and the doings of officials in the *Mofussil*. It needs hardly to be remarked that the highest feeling of loyalty is co-existent, as well as perfectly compatible, with a free and honest expression of opinion, even though this opinion may originate with the conductors of the press, or may reflect (as is almost invariably the case) the general sense of the community. From the general tone of the Native press, as notified by the official reporter in this Presidency, the Government is in a position to judge how far there is intentional and wilful misrepresentation of facts; how far the judgments of the Native

press are accurate; and, when inaccurate, whether or not this inaccuracy is traceable to the *want of necessary information* to enable it to arrive at more correct views, or to appreciate the bearings of public questions in their proper character. In the latter case, how frequently are the mistakes of the press due to that *secrecy* on the part of the Government which is maintained in respect of all public questions? If the Government took the people more into its confidence, scarcely any cause for even unintentional misconstruction of its acts would arise.

The other misconception is that there is no public opinion in the country. The opinion which finds expression in public prints, in petitions to Government from political associations and at large public meetings, both in the Presidency and in the interior of the country, is, it is urged, not the opinion of the people, but of a very small section of them—the educated Natives—who do not represent the people. The Mofussil Vakil comes in for a large share of this view. He it is who is said to incite the cultivator to petition the local official that the assessment he is called upon to pay on his land is heavy; that his village can do without a municipality, or that he receives no benefit from the local cess he pays. The Vakil is supposed to impede the official in doing as he likes. And why? Because he pleads for the rights of personal liberty and the sacredness of property! He points to the chapter and verse under which the local official is bound to act in a particular manner, or bound to desist from the particular course followed or proposed to be followed by him.

Now, what is the fact? Is there no public opinion in India? It may be weak, it may lack the vitality and force with which it acts in other countries, it does not certainly exert that healthy influence on public questions in this country which it exerts elsewhere, and which may be expected of it to exert even here; but the fact of its existence can scarcely be denied. If it were asked where this opinion is to be found, it may be said that the village *chowri* is one place where it finds an echo, the town *kutcherry* is another, the Collector's head-quarters is a third, and the Presidency press, Native and European, is a fourth place where it meets expression. There is a progress of opinion from the village to the town, from the town to the city, and from the city to the capital, and *vice versa*. And so it travels through the different strata of Native society. There is action and reaction; there is reflection and counter-reflection in the world of Native thought as in the world of nature. It would be unfair to say that the resident at the Presidency is unconscious of what goes on in the mind of the citizen; that the citizen knows not the feeling of the townsman; and that the townsman is innocent of the thoughts of the village world. Railway and telegraph have

brought each nearer to the other. There is an admixture, in one way, of the different sections of Native society into one harmonious whole. Any one who takes the trouble of informing himself of the natural history, so to speak, and progress of public opinion in this country, will find reasons to believe that an indigenous public opinion not only exists, but that it is capable of the highest development.

That this public opinion, such as it is, is weak, and fails to exercise its healthful influence on public questions in this country, is admitted. The fact is, the Native of India is deficient in that kind of pluck which distinguishes the European. He generally fears to open out his mind on unpleasant subjects, unless forced to do so by absolute necessity. He is afraid lest by his words he may offend the official or incur his displeasure. He will reveal his heart to his countryman, but dare not give it out to the "Saheb" to his face. He knows that there is an utter impatience on the part of the Sirkar's representative to listen to an opposite view. There may be truth, reason, and force in this contradiction, and yet, convinced as above, he dare not give it out. But another and more important circumstance which accounts for the weakness of public opinion in India is that it is not sufficiently well-informed. It requires all the training and development just as anything else. What assistance the State can render to make it healthy and intelligent will appear in the sequel.

IV. That free discussion of public questions and salutary checks from outside are necessary in the case of a discretionary Government such as we have in India, is but too apparent to require proof. Heads of departments would be very much fettered in their action if sufficient discretion were not left to them. But the very best discretion, to be rightly used, requires the healthy control of public opinion. In theory, perhaps, there can be nothing more admirable or more worthy of a civilized Government than the great principles which underlie British administration in India. Their value, however, greatly depends upon the success with which they are applied to questions as they arise in the course of government. Now, the chief agency through which such principles find application is that of men whom England sends from time to time to take a leading part in the administration of the country; who fill responsible posts in the civil and military services of the empire; who, as members of the Executive Government, local or supreme, and as Commissioners of Provinces, as Lieutenant-Governors, Governors, and Viceroys and Governors-General, are directly interested in the good government of the country. It is scarcely necessary to add that by having continually before their mind a lively sense of the duties and responsibilities which pertain to their high office, by conforming to the past traditions of the country and re-

specting Native institutions and public opinion, they may do much to win the hearts of the people, and to make the name of England not only respected, but beloved in every corner of the land. On the other hand, by setting at naught the examples of those Anglo-Indian statesmen who have done so much to raise the character of British rule in India, in whom the noble principle of sacrifice of private interests for public good—a principle of the Hindu as well as of the Christian religion—was predominant; by entertaining false notions regarding the prestige of the British Government in India, and, generally, by acting in what may be not inaptly called an anti-Native spirit,—they may make England's name despised, if not hateful and contemptible, in the land. Now, however good the intentions of such persons may be, they must be judged by their acts and proceedings; and the surest way of making these acts amenable to public opinion, and to the salutary checks which that opinion may be capable of exercising, is publicity. It is the best, if not the only, guarantee for justice.

An instance showing the necessity of publicity as a remedy for checking departmental indiscretion, may be found in the influence which the Collector wields over the liberties and properties of the people in the Mofussil. This officer has always had very large powers assigned to him, but at no time, perhaps, were these powers subject to fewer checks and less control than at present. In the Mofussil the British Government is simply a Collector-ridden Government. Under a ryotwar system of revenue administration, the entire agricultural population is at his mercy. Though much of the jumabundy work has of late years come to be of a routine character, yet he is the person through whom the ryots can hope to obtain remissions in bad years, rare as such remissions are, and prevent their effects and lands from being sold outright to satisfy the Government demand. As Magistrate—and it is this office, combined with that of the Collector of Revenue, that gives him great consideration—he has great powers given him, under the New Criminal Procedure Code, over the personal liberties of the whole population committed to his charge. As chief revenue authority in the district, he sanctions the sale of Kooruns\* (grass lands); Abkari; occupations of fields, and other rights over immovable property; and redemption of any annual right of Government. He approves of the sale of fruit trees and building sites in towns and villages. He authorizes sales of occupancy rights for arrears of land revenue instalments, and sanctions sales of waste lands effected by his assistants. He is the State Treasurer in the district. He controls the District Police. He is President of the District

\* See page 40 of Mr. Nairne's "Handbook for Revenue Officers in the Bom'ay Presidency."

Local Funds Committee, and, as such, exercises supervision and control over works of public utility in his district, and the direction in which the funds shall be expended. He is *ex officio* head of talooka municipalities, and, as such, determines what taxes shall be levied, and what improvements shall be carried out. He is the person who recommends *tuccavi* advances to cultivators, or loans under section 18 of Act XXVI. of 1871. He supervises the city surveys. The district forest officers are subordinate to him. He is superintendent of stamps and the district registrar. Wuttumdars, Inamdars, Jageerdars, Desais, Deshpandais, Mujmudars—in fact, all district and village officers, hereditary or stipendiary, are always desirous to know his pleasure. He decides in all matters relating to service and personal inams, whether in land or cash. He adjudicates claims for religious allowances to individuals or temples, and annual, hereditary, and life pensions and cash allowances of every description. These are some of his most important duties. His pleasure is a passport to preferment, honour, and success in life. He whom the Collector Saheb delights to honour, be he in or out of Government service, is the cynosure of people's eyes. There is, indeed, a certain control exercised over the Collector in this Presidency in revenue and police questions by the Revenue and Police Commissioner; but that control can scarcely be said to act as an effectual corrective. Having a due regard for the gravity and multiplicity of the duties of the Collector, the Elphinstone Code had wisely provided for such checks over his proceedings as should have a most salutary effect upon him. The Code gave a remedy to parties who felt aggrieved by his acts by permitting them to have recourse to Civil Courts. But the tendency of recent action on the part of the Government, and of legislation of late years in or relating to this Presidency, has been to make the Collector more and more independent of the constituted tribunals of the country. And a consummation of this policy is just sought for by moving the Supreme Legislature to pass the Bombay Revenue Courts Jurisdiction Bill, which takes away the only remedy which the people in the older districts of this Presidency have at present against the arbitrary conduct of revenue officials.

This Bill, of four sections, affords another instance. Though diminutive in form, it is formidable in its effects. It seeks to deprive the Civil Courts in the older districts of this Presidency (Gujerat, Konkan, and latterly Kanara) of their present jurisdiction in respect of claims against Government to inams, and disputes regarding land assessments. The reasons assigned are that, in a certain case, an assessment fixed by the Survey Department was reduced by a Civil Court; that it is not desirable to have one law in one part and another law in another part of

the same Presidency; and that the most expedient, "the best and "simplest course," will be to have one uniform law. Before proceeding further, it may be remarked that expediency,—false expediency—is often the rock on which some of the finest principles of British legislation in India have of late years been made to shatter. Few things would be inexpedient, bad, or hard, in the present weak state of public opinion in this country, to those who are determined to carry out a certain course of policy. But the question which statesmen legislating for millions of Her Majesty's loyal subjects have or ought to consider is, whether a measure proposed for enactment is just, equitable, or otherwise; whether it will produce contentment, happiness, and harmony, or give rise to uneasiness, anxiety, or alarm. True expediency cannot be incompatible with justice and equity. Especially must this consideration be held paramount in respect of measures affecting the relations of the State with the subject, and the obligations on the part of the former arising therefrom. Now, is it just, is it equitable, that the land law of a territory extending in superficial area over 22,000 square miles, and involving the privileges of four millions of people—mostly agricultural classes—should be done away with by a single stroke of the pen? It must be remembered that this land law, and the privileges which it has conferred, have been found to work beneficially for upwards of seventy-two years in Gujerat, and fifty-five years in the Konkan. The plea of uniformity would be perfectly intelligible, and the measure would be hailed as a really advanced step in the constitutional government of the country, if the jurisdiction of the Civil Courts in cases cognizable by them were extended to the whole of the Presidency; but it is utterly insufficient and unjustifiable when it is proposed to deprive the Courts of the jurisdiction which they have already possessed. The Elphinstone Code, indeed, gave large powers to the Collector; but Regulation XVII. of 1827\* left two courses open to the ryot who felt himself aggrieved by his decision. One was a petition to Government through the Collector, and the other a suit in the zilla Civil Court. These two courses were open to him at the same time: so that he may petition Government on the one hand and sue the Collector on the other. The salutary check which this provision exercised on the proceedings of

\* Clause 2 of section IX., Regulation XVII. of 1827, says: "But if any person "should deem himself aggrieved by any such decision, he may either present to the "Collector a petition addressed to Government, praying for redress, or may file an "action against the Collector in the Civil Court under the ordinary rules, or he may "pursue both methods at the same time." Again, Clause 3 says: "The Collector shall "forward to Government, without delay, any petition presented to him under the "preceding clause; but the reference to Government shall have no effect upon any suit "instituted in the Civil Court."

the Collector is one principal reason why there have been so very few cases against Government. We know well enough what petitioning to Government has come to be. Government certainly refers such petitions to the Collector, and the Collector to the Survey Officer; and the Collector and the Survey Officers *do* send their replies to Government. But the aggrieved party is allowed no chance whatever of refuting the statements of those officers; and the almost invariably curt and ready reply which the petitioner gets from Government is, that it sees no cause to interfere in his case. The only remedy then left to him is to file a suit against the Collector in the highest Civil Court of the zilla, created by the British Government and presided over by British judges. Even here he is at a disadvantage. The poor man has to pay dearly for the services of barristers, pleaders, and others, and yet, with all that paraphernalia and its cost, the knowledge that he has a chance (and often a mere chance it is) of getting redress, bears him up against all odds and difficulties. And it is this *chance* of which he is going to be deprived! That in the Dekkan, Khaundeish, and Southern Mahratta country, the Civil Courts have no such jurisdiction, to a certain extent, is admitted; but it must be borne in mind, at the same time, that this is a later and exceptional piece of legislation. The normal law of the Presidency is Regulation XVII. of 1827. An exceptional law cannot be turned into a normal law, except when the normal law has been proved to have worked injuriously in the interests of the people. Again, it must be noted that the Civil Courts in older districts have to this day been held quite competent to adjudicate between one subject and another. In fact, their jurisdiction was extended, in this respect, by Act II. of 1866, to which the Hon. Mr. Ellis stood sponsor, by divesting the Revenue Courts of their jurisdiction in cases relating to the rent of land and the use of wells, tanks, watercourses, and roads to fields. So that, when there is a dispute between the actual cultivator and the Nurwadar, Khote, or any superior holder of land, the courts of civil jurisdiction are still held competent to adjudicate. Why should they be held incompetent to adjudicate in cases between the State and the ryot? They have certainly done nothing to deserve this treatment, and the subjects whose privileges are to be forfeited have done nothing to deserve the forfeiture. In the particular case which has furnished the chief ground for the measure, it would appear that the reduction of the assessment was ordered by the Court by reason of the Survey Officer having failed to conform to the local rules of *dhara* lands, as was incumbent upon him to do, under section 25 of Act I. of 1865. This section provides that assessment of lands is to be made by the Survey Officer, "*under such general and local rules as may be in force in the survey under his charge.*" This rule, in

the particular case, was that the assessment was to be one-sixth of the gross produce. Decree was accordingly passed by consent; and, in passing that decree, the Court simply conformed to the provision laid down in the law. When we look back fifty years, and consider the wisdom, the statesmanship, the large-mindedness, the desire to do strict justice, not merely between one subject and another, but between the State and the subject; when we find these principles running so transparently through the Elphinstone Code at a period when, perhaps, owing to the unsettled state of the country, a strong Government was required, and when the Government could have safely afforded to dispense with these necessary safeguards to the constitutional liberties of the people without exciting their suspicions; and when, on the other hand, we consider that profound peace reigns from one corner of the land to another, when we are said to be under a reign of law—constitutional law—when the courts of law have shown no proofs of incompetency in dealing with land revenue questions,—we are filled with a feeling of sorrow that the Government which boasts of this reign of law is the very Government that goes before a higher authority to deprive the people of their constitutional remedies, which have been open to them for three-quarters of a century. The conclusion forces itself irresistibly upon one's mind that the object of the new school of revenue officers, headed by the honourable mover of the Bill, can scarcely be any other than to permit the survey officers to act as capriciously and despotically as they please, by making them judges in their own cause. Now it is this bureaucratic tendency of British rule in India that people find reason to complain of—the tendency which leaves in a few heads of departments, or a select number of highly-placed officials, power and strength to carry out fanciful or pernicious measures, affecting the vested interests and the cherished rights of millions of the subject population in such a manner as sometimes to trample upon those rights and those interests. It needs free discussion, it needs publicity, it needs a strong and ever watchful public opinion, to check this tendency, to stop this growing evil.

V. But this openness of procedure is scarcely possible under a close borough system which obtains in regard to all public measures in this country. The official custom is to withhold all information respecting projects of general importance from the public gaze until they are mooted, discussed, reported, and finally resolved upon by Government in the departments to which they relate. In the Mofussil there is a standing rule which prohibits Government officers "from making public, without the sanction of Government, any documents, papers, or information of which they may become officially possessed."\* The plan usually followed

\* See Nairne's "Revenue Handbook," page 8.

in the treatment and disposal of public questions is something like this; A Government officer, either at the instance of Government or of his immediate head, submits proposals in respect of a certain measure relating to his department. It may concern land revenue, public works, finance, legislation, railway, telegraph, agriculture, forest, post-office, or any branch of administration. The officer thus addressed sends it on to his superior officer, and he again to the general head of the department. In this way papers and proceedings pass on from one circumlocution office to another, the correspondence at every stage growing bigger until the whole reaches the Secretary to Government in the particular department which it concerns. The facts and views thus set forth form the chief basis of guidance for Government in arriving at a definite determination of the course to be pursued in regard to the measure. If the question be of an emergent character, it naturally takes precedence of others. There is, however, no particular order of succession for papers to come before Government. It is often necessary to make references and counter-references to and from heads of departments or subordinate officers. When all the necessary information is obtained, they are laid before Government for the purpose of being resolved upon. The resolution of the Government is accordingly passed, and the fiat of authoritative sanction goes far and wide into remote districts, affecting the fate of millions of people whose voice, expressive of the hardships likely to result therefrom, scarcely ever reaches the ears of the Executive Government, or, if it reaches at all, it reaches at a time when, perhaps, it is too late to mend matters, the whole question having been already disposed of. (Hear, hear.) In the case of provincial governments and local administrations, where, if the sanction or approval of the Government of India, or of the Secretary of State for India, is needed before the passing of a resolution, such correspondence is forwarded to those higher authorities, whose instructions are awaited before the proceedings are finally disposed of. There are cases, however, where papers are forwarded to the Government of India, or the State Secretary, merely for information. After the final disposal of such proceedings, such of them as are deemed worthy of publication are placed in the editor's room in the Secretariat, or published in the *Government Gazette*; or, if they are of still more permanent interest, are published as selections from the records of Government. Such, in brief, is the general mode in which much of the current work of administration in this country is conducted. I do not presume to say this is a very full account of it, but it is one sufficient for our purpose. Now, the great majority of questions which are thus disposed of in the revenue, financial, public works, legislative, political, and other departments of State, are

those in which the general public is deeply interested. They are often questions of high State policy. Their general character is such, that their publication, before final disposal, cannot simply affect the limited interests of a limited class; they have reference to the general interests of the whole nation. The position of Government in respect of such questions and such projects is different from that of the public, which labours under great disadvantages in this respect. On the one hand, we have the officer of Government, whose whole career as such is spent in collecting, acquiring, and digesting information of this description. He has time and opportunities for the study of such questions. The Government is thus placed in the very favourable position of being in possession of this study of general and special questions by its officers, but necessarily brought out in a one-sided way. Such information and such special knowledge the public in this country have not the means of acquiring, except at a great sacrifice, and under a combination of adverse circumstances. Hence it occurs that there is often a whole official literature on each of these questions. But the papers and proceedings of Government in connection therewith see light long after public interest in them has expired—long after open criticism has become ineffectual and valueless for all practical purposes, and long after the course of State policy has been determined upon, and steps have been taken to carry out that policy. In some cases, papers explanatory of this policy never see the light; in others, where they do come before the public, they are only valuable as documents more for the historian than the practical statesman, whose concern is chiefly with the present and the future, and less with the past. It is far from me to say I undervalue them; but the course of Government having once been determined upon, there is, perhaps, the greatest difficulty in bringing the authorities to view it from the standpoint of the people.

The interval between the period when important State papers are received by Secretariat officers, and the actual passing of Government resolutions thereon, is a most important stage in the disposal of public questions. It is well known that this interval is generally long enough. It takes months, and sometimes years, before the Government determines upon a definite course of policy in regard to them. References and counter-references to and from departmental officers naturally take up a deal of time. Meanwhile, such papers lie in the pigeon-holes of a secretary's table, or are buried in the heaps of archives in the Government Secretariat.

It may be urged—and, in fact, it has been urged—that the proposals before Government embodied in the papers are often premature, and it would be highly inexpedient and unwise on its part to give publicity to

proceedings in respect of which a definite line of policy has not been laid down, and the resolution expressive of that policy has not been made. But this is just the very reason for their publicity. After a certain policy has been laid down, and the course of Government determined, the publication of such papers serves undoubtedly to inform the public of what has been done; but beyond this it serves no useful purpose, *so far as the Government benefiting by the light of public criticism is concerned.*

Again, it might be said that the Government would be unworthy of public confidence, and disqualified to hold office for a single day, if it gave out its plans and deliberations in the premature state in which they often are. Secrecy is indispensable to any Government, and most of all to a Government circumstanced as the British Government is in this country.

But the best advocates of publicity do not deny the force of this objection in some cases. That there must arise subjects where secrecy on the part of the Government would be expedient, is admitted. In questions of diplomacy, for instance, where the issues involved are of a grave political character, the public can afford to wait and suspend its judgment until the course of Government has been determined. As a matter of fact, such proceedings scarcely ever come to be divulged in this country until papers are moved for by Parliament, and published in Blue Books. In the manifold relations of the British Government with Native States, occasions may arise where secrecy may be most expedient, and sometimes essential. But barring all such diplomatic and other exceptional cases where secrecy may be necessary, *there are measures* of the Executive Government in respect of which the freest publicity can be given without the Government compromising its position. In such subjects as land revenue, public works, legislation, and other branches of administration, the plea of necessity can scarcely hold. Such questions, before their disposal, demand light from the outside public in the highest degree; and this for a most important reason. Official information generally presents one side of a question. The facts and views put before the Government are all looked at through coloured official spectacles, and perhaps very imperfectly from the people's point of view. Before their final disposal, therefore, it is necessary, especially in this country, that the people's standpoint should receive its due share of attention. Let the ultimate decision of the Government be what it may, but let it not be said by the public that no adequate opportunities were afforded it for the expression of its voice. Such papers do, to a certain extent, see the light after their disposal. The question is only one of *time, and the stage at which publicity should be given.*

The necessity of dispensing with that system which shrouds all measures of Government in secrecy, would appear to be the greater when it is considered that the course of State policy in India is generally shaped by a very small but select class of men, who, in process of time, rise to the top of the service, and take an active share in its administration. They have passed through the different grades of the services, have had opportunities of coming into contact with the people, and of observing wherein lay the strength and weakness of the Executive Government. But the opportunities which have secured them these undeniably great advantages have not unfrequently tinged their mind with narrowness and prejudice in respect of questions of State policy. As leading men who take part in the executive and legislative councils of the State, they often present themselves before the public in characters wholly unwarranted by their previous career, whilst in a somewhat subordinate capacity. They seem as if they had almost forgotten themselves. Under the East India Company's rule, whatever were the defects of that rule, the control which the Court of Directors exercised over the general administration of this country held this tendency in check. The Court reviewed the acts and policy of its servants in India, and the expression of its views thereon was but the expression of that stern, practical sense of duty and responsibility in the government of a great dependency which laid down invaluable maxims of government in their famous despatches on questions of policy, and which the Government in India was bound to carry out. I do not mean to say that this sense of duty is wanting in those who have the charge of the government at present,—far from it; but the incurable optimism to which I alluded in a previous part of this paper seems to make them think that no outside opinion is required to tell them where the course of their action is, or may be, open to objection; that the country is improved in all manner of ways, and that one effect of these improvements has been to add immeasurably to the physical strength of the Government. The prestige of the British Government can therefore never suffer in the country. And the result is, that the bureaucracy in India pursues the even tenor of its course, unchecked and uncontrolled by the public opinion of the country, or by the House of Commons in England. There is some truth, as I have already observed, in the view which the optimist officials, both here and in England, take of the condition of the country; but it is not the whole truth. The general advance which the country has certainly made under the influence of civilization from the West, has also taught the people to think of the effects of Government measures, and kindled new aspirations and new wants. It is, for instance, felt by the intelligent classes that the measures of the British

Government are to be reviewed not solely by precedents drawn from the Mahomedan and Mahratta rulers of the country. Viewed from that point, the Government rises immeasurably superior to its predecessors. But its measures are, and must be, looked at in the light of (1) *sober pledges, solemn guarantees, and declarations of policy* made, in all seriousness, in public proclamations, State despatches, and official correspondence by the representatives of the Crown in India and England from time to time; (2) by the acts and policy of those Anglo-Indian statesmen who have founded the principles of British administration in India; (3) by the *standard of British civilization and British sense of what is right and just, and what is due to the people*, and not by the standard of the previous rulers of the country; and (4) by the noble test of consistency. The *summum bonum*, or the principle of the greatest happiness of the greatest number, is one standard; the pledges and guarantees of the Government, another; the acts and policy of Anglo-Indian statesmen distinguished for their disinterested labours in the cause of the people, a third; and the consistency of professions of high principles with practice, a fourth. It is on these and like principles that the people generally, and the advanced intelligence of the country particularly, founds its claims for a strict and impartial hearing, and trusts to the enlightened sense of England's wisest statesmen for the ultimate success of its cause. ("Hear, hear," and applause.)

What is here urged is this, that, in the disposal of public questions, adequate opportunities should be allowed for hearing the public voice; that, in order that the public voice should be the expression of correct and enlightened views, it should be trained; and that, in order that it may be trained, publicity be given to important measures of Government before final disposal.

I now proceed to show what injuries are done to public interests by the policy of secrecy. My remarks will necessarily be confined to such public questions as have immediate reference to this Presidency, but the general principle applies with more or less force to the system of British administration throughout.

One of the most important public questions at the present day in India has reference to the condition of the agricultural classes generally, with special reference to the pressure of the land-tax. In this Presidency a thirty years' settlement has been effected throughout most of the districts on the principles first enunciated in the famous Joint Report of 1845 by Sir George Wingate, the late Mr. Goldsmid, and Col. Davidson, and legally confirmed by Act I. of 1865. In some of the districts first settled under the survey system, the thirty years' leases have already expired, and a revised settlement has been introduced. In others, where

the period is about shortly to expire, the settlements are in progress. The effects of the settlements already made are beginning to be felt by the ryots in those districts where the new rates are current. And the question as to the proportion which the Government assessment, as fixed by the revised settlements, bears to the gross produce, has been one of the most hotly debated points at the present day. On the one hand, the official view is that the new rates on land are perfectly justified by the rise which has taken place, in recent years, in the prices of agricultural produce, and that the proportion which the rates bear to the gross produce varies from one-twentieth and one-twelfth to one-sixth. This view has been put forth before the Select Committee on East India Finance, and we were but very recently reminded of it in the Bombay Legislative Council by the Hon. Mr. Gibbs. Referring to the complaints of over-exaction and the actual weight of the land-tax as ascertained by experiments in certain parts of this Presidency, the hon. gentleman is reported to have observed as follows:—

“He begged to observe that this very important subject had attracted the attention of Government, and that this year the first attempt had been made towards making experiments, by which the incidence of taxation to the gross produce might be, to a certain extent, arrived at. From these experiments it appeared that in Poona, Nuggur, and Sholapoor, on the bajri and jowari crops, the assessment bore to the gross produce the proportion of one-twelfth. In the same districts where there are wheat crops, the assessment appeared to be one-twentieth of the gross produce. Neither of these, he thought, could be said to be very heavy assessments. In Gujerat, where the land was richer and the outturn greater, where fewer experiments had been tried, the assessment in no case exceeded one-sixth of the gross revenue. Although these experiments could not, of course, be considered as conclusive—indeed, it would take some years to arrive at a correct estimate—yet when they found that these experiments, which had been conducted by European gentlemen anxious to obtain correct results, had turned out in the way he had stated, he did not think, unless honourable members had some better data to go upon, that it was right to cry out continually that the land was over-assessed.”

This is the official view. The other view is that of the agricultural classes and of the Native public generally. That view is that the present rates of assessment are oppressively heavy; that the proportion the State demands varies from one-half to two-thirds of the gross produce; that it is such as to leave no margin of profits proper to the cultivator; that it trenches upon the wages fund of the cultivator; that it is not a portion of the rent proper; that, after paying the wages of labour which

the ryot employs upon his farm, the cost of wear and tear of agricultural stock, and the cost of maintaining himself and his family, there is little or nothing left in his hands to enable him to tide over bad years; that there are more frequent applications for remissions now than there were before, more arrears of revenue, more auction sales of the cultivator's property and of the land he holds, and more offers to resign the land, than was ever the case before, from every part of the Presidency, to a greater or less extent.

Now, this is just one of those controversies on which Government can afford to receive as well as throw a flood of light by placing before the public, ere their final disposal, papers and proceedings showing what is the actual position of the State on the one hand, and of the cultivator on the other. The Hon. Mr. Gibbs speaks of the results of experiments in Poona, Nuggur, and Sholapoor. If they are such as to confirm the official view, what harm can result from their publication? Is it not due to the public that it should be disabused of any wrong impressions which Government thinks it labours under? They are just the results which those who hold contrary views would like to compare notes upon. Why not allow them to see if the methods adopted by "European gentlemen anxious to obtain correct results" are not the very methods resorted to by sharp mamludars in the districts whenever applications for remissions are made by ryots. The practice of having recourse to experimental farms is not new, but one well known in the Mofussil. And it all depends upon the character of the soil you select, to ascertain what the quantity and quality of the crops are. Generally the rule with mamludars is to select the best sites in a village, and to report to the Collector that the claim of the ryot is a pretension. What is necessary, however, is to take the average of the four, or, rather, of the different descriptions of land—the *awal*, or the best; the *dozum*, or the middling; the *soyum*, or the inferior; and *chaharam*, or the worst kinds of land. If these conditions were complied with, there should be nothing to prevent the Government from publishing the results.

It may be said that the experiments are as yet incomplete, and the results imperfect. Well, if hon. members choose to draw their own conclusions from the experiments, so far as they have been made, it is at least due to the public to know what they are.

But it is not simply in respect of these experiments that official secrecy is to be deplored. Whole talookas and districts are surveyed, measured, assessed, and reported upon by Government officers, and of which reports lie for months, if not years, before Government, to be resolved upon by it, yet the public cannot get access to them, because such resolutions have not been passed, and, where they have been

passed, not until a considerable time has elapsed. The following is but one instance out of many showing the time during which settlement reports remain unpublished :—

| Names<br>of Talookas.       | Date of             |                         | Date of |
|-----------------------------|---------------------|-------------------------|---------|
|                             | Settlement Report.  | Publication of Reports. |         |
| Matur in Khaira zilla ..... | Dec. 31, 1862 ..... | May, 1869.              |         |
| Mahudha .. .....            | " 5, 1863 .....     |                         |         |
| Kuppurvanj .. .....         | " 20, 1864 .....    |                         |         |
| Thasra .. .....             | ditto .. ..         | "                       |         |
| Neriad .. .....             | Nov. 25, 1865 ..... | "                       |         |
| Barsud .. .....             | October, 1867 ..... | "                       |         |

At this moment the talookas of Mandevi in Surat, and of Broach, Unclesur, Hansote, and Wagra, in the Junior Collectorate of Broach, are surveyed and assessed, and yet it seems the public must wait for years longer before they can have a sight of their Settlement Reports. Now, there is really nothing in these reports which should make Government hold them back until they have been departmentally disposed of. A revenue settlement report generally comprises a brief topographical and agricultural sketch of a talooka, its physical features, its past revenue administration and details connected with the character of the revised settlement proposed to be introduced therein, accompanied by such general remarks on the condition of the people, and the probable effects of the revised rates, as tend to show that the proposed settlement will add so many thousands of rupees to the State revenue, and that the rates are such as the people can bear. Generally, a settlement is introduced experimentally into a talooka for about a year, to see what is the effect of the new rates upon it. Few of the cultivators, however, know this, and where they do know, they have neither the inclination to protest against them nor the necessary data to go upon.

In the absence of any positive information from official sources as to what is the actual weight or pressure of Government assessment on land directly held from the State in the districts recently experimented upon; it is necessary to go upon such data as are available to us. But before proceeding to consider them, it is important to fix clearly in our mind a few ideas as to the nature of the Government demand, the more so as interminable controversies arise from a confusion of ideas on the subject. There was no proposition which Sir George Wingate laboured to impress more forcibly upon the Government of his day than this. Referring to the notions which then obtained on the subject, he observes :—

"The peculiar position occupied by Government in this country, as proprietor of the soil, has not yet, it appears to me, received the consideration its importance deserves. Government is thus constituted the

“ possessor of a vast monopoly, thereby depriving the country of the  
 “ salutary and invaluable checks upon over-exactions on the part of the  
 “ landlord, afforded by the competition of interests in a sub-divided pro-  
 “ prietorship, which effectually prevent the rent of land from being for any  
 “ considerable period higher than would naturally result from the state  
 “ of the society at the time. Here, however, Government, as proprietor,  
 “ finds no such controlling influences operating upon its demands, or  
 “ even any palpable evidence of its effects upon its own interests, or  
 “ those of the society entrusted to its care ; and thus it is that an assess-  
 “ ment, however little in excess of what the land will bear, goes on from  
 “ year to year, *slowly but surely exhausting the fountains of national*  
 “ *wealth,\** without affording any marked indications of its baneful pro-  
 “ gress ; and Government, with a lively solicitude for the welfare of the  
 “ country, yet remains in ignorance of the deplorable state of the case,  
 “ until it reaches a height of ruin that no longer admits of concealment.

“ When it is considered that every excess of assessment beyond the  
 “ natural rent of the land is reduction of what would otherwise be the  
 “ rates of profits and wages, and that these last constitute almost the sole  
 “ funds from which any additions to the population and capital of this  
 “ country are to be effected, some conception may be formed of the  
 “ mighty power vested in the Government of India, in value of its claim  
 “ of property in the soil, and the heavy responsibility attending its  
 “ exercise. In every agricultural country, such as the Dekkan, the  
 “ general rate of profits on the usual reward of industry is regulated by  
 “ that obtained from the cultivator of the soil ; and to suppose that  
 “ while this last is depressed, any considerable advances can be made by  
 “ the society, would be to disregard the plainest lessons of experience.  
 “ These general observations will, I hope, have served, in some degree,  
 “ to show the vital importance of the land assessment, and the fearful con-  
 “ sequences of over-taxation. No unnecessary reduction can injure the  
 “ country, and the Government revenue can only suffer from it to the  
 “ extent of such reduction. An error upon one side involves the *inevit-*  
 “ *able ruin of the country* †—an error upon the other, some inconsiderable  
 “ sacrifice of the finances of the State ; and with such unequal stakes de-  
 “ pending, can we hesitate as to which should be given the preponde-  
 “ rance ? The line of true policy, under such circumstances, is not shown  
 “ in an attempt to fix the assessment at what the land will exactly bear,  
 “ but in fixing it as far within this limit as the exigencies of the State  
 “ permit.”

What will Sir George say when he finds, from recent revised Settle-

\* The italics are mine.—J. U. Y.

† *Ibid.*

ment Reports, that not only "the line of true policy," but "the plainest lessons of experience" are disregarded by the revenue officers of the present day, and that, after the lapse of thirty years, there is the same urgent necessity of enforcing identical lessons upon their attention which he advocated with such singular clearness and masterly foresight. The same principle was put forth in the Joint Report,\* and it ultimately became what has since been known as "the received official view" in India. In the extract from the Court of Directors' despatch of 1856, quoted by Mr. Grant Duff in his examination of Sir Bartle Frere before the East India Finance Committee, the following remarkable words show what view the Court held on the subject. The Court observes: "The officers engaged in the duty of fixing the assessment should always bear in mind that, as you have expressed it, the right of the Government is not a rent which consists of all the surplus produce after paying the cost of cultivation and the profits of agricultural stock, but a land revenue only, which ought, if possible, to be so lightly assessed as to leave a surplus or rent to the occupier, whether he, in fact, let the land to others or retain it in his own hands." Sir Bartle Frere acknowledged that this was the received official view in the Bombay Presidency.

There is another view of the State demand, which may be called the ultra-radical view, which would not deserve mention were it not for the fact that it has of late begun to obtain favour among a certain class of officials in this Presidency. This view rests upon the notion entertained amongst the more bigoted Mahomedan rulers of the country that, by right of conquest, the British Government is the absolute proprietor of land in India, and that its lien upon the soil of the country is just of the same character as a private person has over his property, movable or immovable. According to this principle, the State demand would be the whole of the surplus produce after deducting only the actual cost of hired labour, not even the cost of the cultivator's maintenance of himself and his family.

\* That this was uppermost in the minds of the framers of the Joint Report of 1845 appears from para. 17 of that report, where, in considering what should be the "basis of assessment," they observe: "From the difficulty of ascertaining the true rent of the different descriptions of land, we have not assumed any theoretical proportion of this for the standard of our assessment, but we fully coincide in the justice of the principle of limiting the Government demand to a portion of the true rent, and believe 50 to 80 per cent. thereof, as laid down by the Board, would form a liberal assessment, and that this principle, if capable of being carried into practice, would prove an invaluable blessing to the agricultural classes of India, and introduce a new era in their history. And we further ascribe to the fact of a portion of the rent having been seldom, if ever, left to the proprietor or cultivator in India, the characteristic wretchedness of its agricultural population, rather than to any peculiarities marking its different systems of revenue management."

The third view is diametrically opposed to the second. It regards the soil of the country as the absolute private property of those who hold it from Government, subject only to that demand from the State, in the shape of a tax, for which other private properties are liable. This view is of course to be equally rejected.

Between these two extreme theories there is the moderate view first mentioned. According to it, the State demand is—

(1.) Either a portion of the rent which the land would fetch if the owner farmed it out to a cultivating ryot.

(2.) Or a portion of the surplus produce or surplus profits left to the ryot after meeting the expenses of cultivation, and the profits of the agricultural stock.

To determine the amount of Government assessment, therefore, you have first to ascertain the expenses of cultivation, which include (a) wages of the hired labour the ryot employs on his farm, cost of seed, &c.; (b) the cost of maintaining himself and his family; (c) charges on account of interest of the purchase-money and wear and tear of agricultural stock; and, secondly, to deduct these from the market value of the gross produce.

What remains to him forms what may be called the ryot's profits of cultivation, or the true natural rent; and the State demand is a portion of these profits, or this natural rent. In the case where the land is farmed out, it is a portion of the rent which the land fetches. This being the principle of the State demand, our next question is, what are the facts as to the proportion which it bears to the gross produce in the several districts of this Presidency? We have not the results of the experiments which the Government has, it is asserted, lately caused to be made on this subject before us, but we have facts presented to us regarding the agricultural economy of those very districts to which reference was made by the Honourable Mr. Gibbs. The Poona Sarvajanik Sabha has just collected a body of most valuable information bearing upon "the present condition of the agricultural classes in the Konkan and *Desh* districts of this Presidency, the pressure of the land-tax under the old and new rates, the increase of local and imperial taxation, and the working of forest and other departments of revenue," with a view to place the whole information before the East India Finance Committee. On the 13th November, 1872, the Sabha appointed a Sub-Committee of twelve persons to collect this information. This Committee had eighteen sittings to examine witnesses and collect facts. The whole inquiry had a judicial character about it in all but the name. "In the selection of witnesses," we are told, "due care was taken to exclude one-sided information, or at least, where it could not be excluded, to check it by

"the evidence of witnesses who represented opposite interests." Among the witnesses examined were Kulkarnies, farmers, cultivators, patels or heads of villages, pensioned Mahalkaries, Deshpandais, Inamdars, Commissariat contractors, &c. Crowds of villagers, we are reminded, came from the different talookas and districts to lay their information before the Committee. The *modus operandi* is thus described by the Committee: "A number of questions were framed, and the witness was examined as to such matters as he thought himself competent to speak about. His replies, corrected or modified by a cross-examination from the members of the Committee, were reduced into writing and read over to him. As to the written statements, it was not possible to test their correctness except by a second reference, which, in most cases, was not practicable, owing to the shortness of the time at the disposal of the Committee. A considerable portion of these written statements was found to be vague and irrelevant."

The principal points on which the witnesses were examined were:—

- (1.) Prices of agricultural labour and produce.
- (2.) Cost of husbandry in the different districts.
- (3.) Reasonableness or otherwise of the old and the revised assessments.
- (4.) Present condition of the agricultural and labouring classes.
- (5.) The working of the forest laws; the practice of impressing carts and labourers by revenue and other officials while on tour; comparison between the departmental and the contract system in the Commissariat and Public Works Departments.

Evidence on these different subjects was obtained from eight districts of the Dekkan—namely, Poona, Sattara, Sholapoor, Ahmednuggur, Khandeish, Tanna, Colaba, and Rutnagherry. The results of these inquiries are embodied in a luminous report just issued by the Committee. It is not my object here to trouble you with details of the evidence thus collected after a patient and laborious investigation, but the facts brought out by the Committee are such as to challenge the attention of the survey and settlement officers in this Presidency, and deserve the serious consideration of those who feel interested in such questions. I will only allude to the most prominent of these facts, leaving you, for details, to the report itself.

Under the head "Cost of Husbandry," the Sub-Committee supplies twenty figured statements from different talookas, showing the variety of phases under which farming is carried on in the Dekkan, the cost of hired labour, the expenses of the cultivator and his family, the balance left to him after deducting these expenses, the amount of Government assess-

ment, and the surplus left after the payment of that assessment. The first statement is deposed to by an agricultural farmer of Bharatgaum, of Talooka Haveli, in Poona Zilla. He says that "he holds a survey number of twenty-five acres, in the village of Bharatgaum, on which he pays an assessment of Rs.24, and gives the receipts and expenses of the year 1869-70, which was the best year ever since he held the land from 1868. The land is jerayet, on which one crop is grown. The result shows the amount of gross receipts on a crop of jowari in 1869-70 to be Rs.301, and the expenses Rs.287½, inclusive of the cost of maintenance of the cultivator and his family, leaving a surplus of Rs.13½.\* This is exclusive of the assessment on the land, which was Rs.24. The nett result was a deficit of Rs.10½. This was for the best year, which generally comes once in three years. In a bad year the cultivator would find it hard to make both ends meet." The other case is that of the Kuckurnee of Delvadee in the Bhimthadi talooka of the Poona district. Here we find that in the best season the crops are valued at Rs.820, which exactly cover the expenses; the margin to the cultivator which enables him to cultivate the land from year to year consists only in

\* The following, given at page 12 of the Report, shows details of receipts and expenses :—

## RECEIPTS.

|  |          |
|--|----------|
| Jowari, 28 pullas, at Rs.7 a pulla ..... | Rs.196 0 |
| Kurdsi, or oil-seeds .....               | 45 0     |
| Kurbi, 6,000 bundles .....               | 60 0     |
|  | <hr/>    |
|  | Rs.301 0 |
| Deficit .....                            | 10 8     |
|  | <hr/>    |
| Total.....                               | Rs.311 8 |

## EXPENSES.

|  |          |
|--|----------|
| The cost of one family of servants, man, woman, and 3 children | Rs. 94 8 |
| Wages.....   | 50 0     |
| Cost of temporary labour for reaping, mowing, &c....           | 15 0     |
| Seeds.....   | 8 0      |
| Charge for fodder of cattle for 8 bullocks, for 6 months ..... | 70 0     |
| Charges for renewal of agricultural cattle ..                  | 20 0     |
| Repairs to implements.....                                     | 5 0      |
| Village servants and hackdars .....                            | 25 0     |
|  | <hr/>    |
|  | Rs.287 8 |
| Government assessment....                                      | 24 0     |
|  | <hr/>    |
| Total.....   | Rs.311 8 |

the item of his own wages. In a third case,\* we are told that the result is obtained without making any allowance for the wages of the four brothers who are the owners of the field. When the assessment was Rs.76, the balance of Rs.220 represented their wages. This balance has been mostly encroached upon by the enhancement (Rs.181). Then we have a very important case of a witness (No. 20), who holds two *Mirasi* numbers, measuring seventy-two acres at Pimpulgaum in the Blimthadi talooka, on which the former assessment was Rs.48, and the assessment at present is Rs.85.- He states that he bought the land in 1867 for Rs.475, subject to a condition that after five years the seller, on payment of the cost price, should have his land back again. The witness does not cultivate the land on his own account, but has let it to a sub-tenant who pays him half the gross produce, while the witness pays the whole of the assessment and half the charge for the seeds. This witness has kept detailed written accounts of the receipts and charges for the last five years. Taking the five years together, there were two years of deficit and three years of profit. The receipts of the five years were in all Rs.471, the charges were Rs.311, leaving a balance of Rs.160 as nett profit, which, spread over five years, gives an average profit of Rs.32 a-year. These Rs.32 on the original capital of Rs.475 represent an interest of 7 per cent. Under the re-assessment the whole of this margin of Rs.32 has been more than absorbed by the enhancement, so that if this same man were to allow his money to remain in the land for another five years under the same conditions as before,

\* The receipts and expenditure in this case are :—

| RECEIPTS.                                     |           |
|---|-----------|
| Jowari, 10½ khandies .....                    | Rs. 630 0 |
| Kurdai (oil-seeds) .. .. .                    | 40 0      |
| Kurbi (grass) .. .. .                         | 210 0     |
|   | <hr/>     |
|   | Rs. 880 0 |
| EXPENSES.                                     |           |
| Wages of 3 servants, at Rs.30 each .....      | Rs. 90 0  |
| Charges for feeding ditto.....                | 108 0     |
| Kamlee and shoes for ditto.....               | 12 0      |
| Cost of feeding 16 bullocks for 7 months..... | 228 0     |
| Seed.....                                     | 17 0      |
| Sundries .....                                | 6 0       |
| Wages of temporary servants.....              | 63 0      |
| Replacement charges of bullocks .....         | 60 0      |
|   | <hr/>     |
|   | Rs. 584 0 |
| Government assessment.....                    | 181 0     |
|   | <hr/>     |
| Total.....                                    | Rs. 755 0 |

there will be not only no profits, but a considerable loss on his investment. The other case is that of a Deshpandai, who has Enam and Mirasi lands in the Barsi talooka of the Sholapoor zilla. One of the survey numbers, of which he gives detailed accounts, measures forty-five begas, on which the Inamdar's assessment is Rs.49½. The land requires four bullocks and two permanent servants. The receipts are Rs.600, and the expenses, including the Inamdar's assessment, Rs.325, leaving a surplus of Rs.275. This, we are told, is the result of the best year on the best soil. "In every ten years there are five such years, two years of middling crops and three bad ones, during which years the expenses remain the same, and the profits are *nil*." This witness also holds fifty acres of land at Ambegaum. It is bagayet land, and gives employment to eight bullocks and four servants. The result of cultivation is a nett sum of Rs.242. This is for the best year, which comes in three years. The other years are either middling or bad, when the expenses are the same, but the receipts are either *nil* or scanty. Taking the three years together, there remains little or no room for profit. Then we have a case from Sholapoor, deposed to by the Vice-President of the Sholapoor Sarvanik Sabha. It shows the result of cultivating a field of sixty begas of land. There are four bullocks employed on the farm. The result indicates receipts of Rs.480 under different heads, and expenses amounting to Rs.285½. The surplus represents the cost of maintaining the farmer and his family, which is not included in the item of expenses. It is the sole return which they get for working day and night upon their farm. In Konkan the lands are either Tari (rice land), Bagayet, or Warkas (hill-side land). A khote in the Rutnagherry district supplies the Committee with receipts and charges of one acre of rice land. The receipts are Rs.42½, and the expenses, including Government assessment and khote's profit, are Rs.48-6. In the case of Warkas land, the result of cultivation of one acre shows Rs.57 on the side of receipts, and Rs.49-5 for expenses, to which must be added Rs.2-8, the amount of Government assessment for ten years, since such land grows nothing for five to ten years, and R.1 as khote's profits for ten years, leaving a surplus of Rs.4-3. The figured statements are drawn up by the Committee with great care and precision, and go to establish facts which are worthy of the most serious attention of the Survey Department, and of all who feel interested in the agricultural prosperity of the country. The facts established from them are, that in the Konkan and Desh districts of this Presidency, the cost of cultivation of jerayet crops, including the wages of the cultivator and his family, absorb from two-thirds to three-fourths of the gross produce, and that the remainder is taken up by the Government assessment and the interest payable to the sowkar; that there are no profits

of cultivation; that if there be a profit one year, it is absorbed by deficiency in the succeeding year; that the cultivator carries on his industry from year to year on small farms, and with little or no capital, except a small sum employed in purchasing cattle and agricultural stock; and that his return consists chiefly of the wages of his own labour and that of his family on the farm; that the farmer who employs hired agency in cultivating *jerayet* land does not get enough of return to pay for the interest of the money invested by him in the land; and that the Government assessment is not a payment of the rent proper, but is a positive charge on the resources of the land, and eats up the profits, and frequently, if not invariably, encroaches upon the wages fund of the cultivator.

As the rise in prices of agricultural produce within the last few years forms the chief, if not the sole, justification for enhanced rates on land in recent revised settlements, it is necessary to consider what is the nature and range of this rise, and the tendency of prices at present. On this subject the Poona Committee has been able to collect valuable data for the districts to which the scope of their inquiries extended. The definite results which the inquiries point to are:—

(a.) That prices of agricultural produce have almost doubled in the course of twenty years.

(b.) That one result of the enhancement in prices has been to double the cost of labour, skilled as well as unskilled.

(c.) That, looking back over a period of 100 years, it would appear that there have been two upward and two downward movements.

(d.) That the tide which first began with the Russian War, and was carried upwards by the American War, has already ceased.

(e.) And that during the last four or five years *the tendency of prices has been towards a steady fall, and a return to the normal level at which they stood fifteen years ago.*

The history of prices in this Presidency may be told in a few words. It has been found more or less invariably the case throughout the Bombay Presidency that, soon after the first settlements under the Wingate system, there was a general fall in prices, due to the combined action of three causes—namely, (1) extension of cultivation consequent on low rates of assessment; (2) substitution of payments in cash for those in kind, which rendered it necessary for agricultural produce to be brought to market, sold, and converted into money; and want of communication, of which the effect was the unequal distribution of produce or storage in one place and scarcity in another. About 1852, such of the staple products as were suited for European markets drew the attention of exporters. This gave a stimulus to the agricultural classes, towards the

increased cultivation of staple products. Between 1853 and 1860 a rapid advance took place in general prices. From 1860 the upward movement took a sudden start, until 1863, when they were double the normal standard. The years between 1862 and 1864 were the years of the American War, when prices of every kind of produce rose to an unprecedented height. The close of the American War was the signal for a great and sudden fall. In 1869-70 the fall may be estimated at 30 per cent. from the topmost prices, and the fall remains unchecked to this day.

The points most to be borne in mind, considering the effects of the rise and fall of general prices on the nett benefit derived by the agricultural classes during the past few years, are : Firstly, that the rise in price of produce has been followed by a rise in the wages of labour. The result to the cultivator is that the benefit obtained from high prices is neutralized, in a great measure, by high wages of labour. Secondly, that while prices have taken a downward course, there is no corresponding fall in the wages of labour. The cost of labour is almost the same, whereas produce is steadily declining in value. The inference to be drawn from this is that it is not safe to predict that the rise in the value of produce will be maintained during any given term ; that in course of thirty years, in a country like India, where seasons are often unpropitious and uncertain, and where prices may often keep up simply through deficient production, consequent upon a deficient rainfall, many causes may arise tending to disturb the enhancement. Now it is a capricious disregard of these facts, and the principles based upon them, that is the source of many an error in the fixing of new rates of revised settlements. In estimating the rise in price which has taken place within the past thirty years, the settling officer, indeed, goes over the prices of staple products in three decades, but out of them he selects only *the particular decade or portion of the decade in which there has been a considerable rise*, and founds his scale of new rates on the strength of that rise. It would be an intelligible principle if the average of prices of *all the three decades* during which a settlement has run, and the fact of the rise in the wages of labour having absorbed the benefit of high prices of produce, were estimated. But this is not done, and it is predicted that the rise which took place in a particular decade of the past thirty years will be maintained throughout the whole period of the next thirty years. In his report on the re-settlement of the Indapoor talooka in 1867, Colonel Francis predicted that during the thirty years for which the settlement was made, prices would not fall below the level of the second half of the second decade of the previous thirty years' settlement. But his prediction has been entirely falsified by the downward tendency of prices of late years.

The conclusions, then, which the Committee comes to, after a survey of all the facts disclosed in the course of the investigation, are of the highest importance. They are, in the Committee's own words:—

Firstly. That, on the whole, the rates of the first settlement were moderately low, and were fixed after a due consideration of the circumstances of the soil and the character of husbandry in each talooka.

Secondly. That, although by reason of the rates being moderate, the Jummaabundi of the talookas showed an apparent falling off for the first few years from the nominal figure at which it stood before the survey, yet, as the rates were based on an average of the actual receipts of the previous thirty years, not only was there no real falling off, but, on the contrary, in the course of a few years, by reason of the extension of cultivation, the Jummaabundi of the talookas was increased by a large per-centage.

Thirdly. That the survey and settlement operations have had the undeniable effect of making the relation between the State landlord and the ryots rigid and unyielding to an extent wholly unsuited to the habits and wants of the people, and to the circumstances of the country.

Fourthly. That, while the witnesses on the whole agree that the first rates were moderate, there is an equal unanimity of opinion from the Indapoor, Bhimthadi, Madhi, Sholapoor, and some talookas in the Kaladghi district, that the new rates, being based chiefly upon an expected continuance of the high prices which obtained from 1860 to 1866, are felt to be oppressively heavy and almost crushing, especially as prices in general have steadily declined during the past five years.

Fifthly. That in fixing the new rates there has been, to all appearances, a most capricious exercise of the discretion of the settlement officers with regard to many entire villages and many individual holders of land in all villages, whose assessments have been advanced quite out of proportion to the average enhancement of the talooka, thereby most materially affecting the value of the property of these holders.

The true character of enhanced rates on land fixed by the revised settlements, as far as the Dekkan and Konkan are concerned, will be understood from the fact that in nine villages of the Bhimthadi talooka in the Poona district, there has been an increase of 150 per cent. over the old assessments. "This general enhancement of Rs.150 per cent.," observes the Poona Committee, "is not a correct measurement of the enhancement in the case of individual ryots, large numbers of whom appeared before the Committee, complaining of the injustice of the disproportionate enhancement of the State demand in their individual cases. Four ryots from Dapoodi, who paid under the first settlement Rs.43 on their holdings, have now been assessed at Rs.129, being an

“ increase of 200 per cent. Witness No. 17 from Khedgaum, who paid Rs.125 before, has now been assessed at Rs.400, being an increase of more than 225 per cent. Four ryots from Nandgaum, who paid before Rs.48 on their holdings, have now to pay Rs.128, being an increase of more than 175 per cent. Six ryots from Pargaum, who before paid Rs.54, have now to pay Rs.166, being an increase of more than 200 per cent. Thirteen ryots holding 42 numbers at Rahu, who were previously assessed at Rs.511, have now to pay Rs.1,157, being an increase of 210 per cent. Five ryots from Pimpulgaum, holding 17 numbers, who formerly paid Rs.263, have now been assessed at Rs.520-8, being an increase of nearly 200 per cent. Four ryots from Dalimb, holding 21 numbers, who previously paid Rs.107, have now to pay Rs.290, being an increase of nearly 300 per cent. Seven ryots from Bori Aindi, holding 11 numbers, who were formerly assessed at Rs.210, have now to pay Rs.447-8, being an increase of more than 220 per cent.”

The effects of revised rates on land are being felt all over the Presidency, with more or less severity, in large outstanding balances of land revenue, in spite of the fear caused by the liability to pay interest on such arrears, at the rate of half a pie per rupee per day; in the increasing number of notices to cultivating ryots for the payment of such arrears; in the growing number of distress warrants and auction sales of cultivators' movable property, and of their survey numbers; in the general character of the movable property thus sold; in the more frequent applications for remissions of revenue, and in the granting of such remissions; and, lastly, in the increasing number of resignations of land, in consequence of the ryots despairing of their ability to pay enhanced rates. That there are larger outstanding balances now than was ever the case before, appears from the facts disclosed by the latest Administration Report of this Presidency (for the year 1871-72). In Khaira, where the revised rates are in full swing, the outstanding balances on April 1st, 1871, were 1,39,000, out of a gross revenue of 20 lakhs; on the 1st April, 1872, the arrears were 2,08,000. In Surat, the second of the revised districts of Gujerat, the arrears in April, 1871, were 1,59,000, out of a gross revenue of 29 lakhs; whereas, in April, 1872, the arrears are put down as  $4\frac{1}{2}$  lakhs out of the same gross revenue of nearly 25 lakhs. In Khandeish the outstanding balance on 1st April, 1871, was Rs.25,000, out of a gross revenue of 30 lakhs of rupees; whereas, in April, 1872, the arrears stood at 927,000, out of the same estimated gross revenue. No doubt the scanty rainfall and unfavourable seasons had much to do with this increase in the amount of outstanding balances in some of the districts; but these, amongst many others, are

the very causes the operation of which is overlooked by settling officers in fixing a normal rate for a period of thirty years. In Indapoor, one of the earliest of the re-settled talookas, the ryots could not pay their assessments in 1871-72. The result was that out of Rs.150,000, the gross revenue of the talooka, as much as half the sum had to remain in arrears. It appears that during the last twenty-five years there has not been a single year in which such a large amount remained unpaid. In fact, from 1846 to 1866, the average amount of arrears for Indapoor had been Rs.6 a-year only!\* From Gujerat, too, nearly the same account is received. Now, Government can best assist the public in forming a correct judgment as to the effects of revised rates, by publishing the following information regarding every talooka in the Bombay Presidency in the form of statements, exhibiting—

1. Balances of revenue outstanding on April 1st of the current year, with balances for the preceding year and the average balance of the past ten years.
2. Amount of interest at half a pie per rupee per day received from the cultivators on account of overdue instalments of revenue.
3. The number of notices to ryots on account of overdue instalments.
4. Actual sales of immovable property and of survey numbers, to satisfy the Government demand.
5. The number of applications for remissions of land-tax.
6. Number of applications made by ryots before the commencement of the *Mrigsal* for resignation (called *Mahaduri* in Gujerat) of the right to cultivate land in consequence of their inability to pay the assessment, and the number of cases in which they actually abandoned their land and betook themselves to other professions or settled in a neighbouring territory, British or foreign.

Here I must draw the subject to a close, with but one remark; and that is, that the object of this paper is little more than to call for that spirit of toleration and charity in dealing with the traditions of the country and the prejudices and weaknesses of the people, which has been the guiding principle of successful Anglo-Indian statesmen, and which ought to characterize the words and action of every British subject in power. "Henry Lawrence," says Mr. Merivale, "could never forget "that we came among them (the people of India) as conquerors, that "whatever may be said concerning our right to be there, the continued "exercise of that right can only be justified by our maintaining there a "governing, purifying, humanizing influence; and from his heart he

\* Poona Sarvajanic Report.

“loathed all acts and expressions of contemptuous arrogance, whether  
“proceeding from the military chief in his pride of arms and greed of  
“conquest, trampling on the dispossessed inheritors of ancient greatness,  
“or from the ordinary European of inferior class indulging in his spirit  
“of caste, and prodigal of insult to those of the conquered race whom  
“their ill-fortune threw in his way.”\* It is this spirit, I repeat, that  
the Native of India calls for. He believes in the thorough honesty of  
Government and of its motives to promote the welfare of the people, and,  
acting under this belief, he feels sure that his appeal will not be in vain  
if supported by TRUTH, JUSTICE, AND REASON.

\* “Life of Sir Henry Lawrence,” by Sir Herbert Edwards and Hermann  
Merivale, vol. ii.

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THE

# EAST INDIA ASSOCIATION

FOR THE PROMOTION OF ALL PUBLIC INTERESTS OF INDIA.

20, GREAT GEORGE STREET, LONDON, S.W.

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# RULES.

## I.—OBJECTS OF THE ASSOCIATION.

*Article 1.* The EAST INDIA ASSOCIATION is instituted for the independent and disinterested advocacy and promotion, by all legitimate means, of the public interests and welfare of the Inhabitants of India generally.

## II.—MEMBERS.

*Article 2.* The Association shall consist of Resident and Non-Resident Ordinary and Honorary Members.

*Article 3.* Honorary Members shall have the same rights and privileges as Ordinary Members.

*Article 4.* Honorary Members shall be nominated by the Council at any Ordinary Meeting, and shall consist of persons who have distinguished themselves in promoting the good of India.

*Article 5.* Ordinary Members shall be nominated in writing by two Members of the Association, and elected after ten days' notice of such nomination, at the next General Meeting of the Council, if approved by a majority of two-thirds present thereat.

*Article 6.* The Election of every Member, both Ordinary and Honorary, shall be recorded on the minutes of the Council; and the Secretary shall forthwith notify, by letter, his election to the Member, and request such Member to furnish a standing order on his Banker for his Annual Subscription.

*Article 7.* Ordinary Members shall pay an Annual Subscription of 11., or 10 Rs., on the 1st January in every year; or may compound for the same by payment of 100 Rs., or 101., which shall constitute a Life Member.

NOTE—Total Annual Subscription, including Journal (delivered free of postage) £1 5 0  
Life Subscription ditto ditto 14 0 0  
Annual Subscription (including Journal), in India..... 13 Rupees 8 Annas.  
Life Subscription ditto ditto..... 150 „

## III.—MODE OF MANAGEMENT.

*Article 8.* The Management of the Association shall be vested in a Council, consisting of a Chairman, Vice-Chairman, and Thirty-three Ordinary Members; Five to form a Quorum; and Eight to retire annually by Rotation, but eligible for re-election at the Annual Meeting.

*Article 9.* A President of the Association shall be appointed at the Annual Meeting; and the Council may, from time to time, nominate distinguished Indian Statesmen, or others, as Vice-Presidents, subject to the confirmation of the next Annual Meeting of the Association.

*Article 10.* The Council shall appoint a Secretary, and such other Employés as may be necessary, and fix their Salaries and Emoluments.

*Article 11.* The Council may fill up Vacancies in their own body, until the next Annual Meeting of the Association.

*Article 12.* The Council shall meet on the First Wednesday in the month; but the Chairman, Vice-Chairman, or any three Members of the Council may at any time convene a Meeting by giving three days' notice.

*Article 13.* The Council may appoint Special Sub-Committees of not less than Five Members of the Association, three of whom shall form a Quorum.

*Article 14.* At the desire of Five Members of the Council, or on the written requisition of Ten Members of the Association, the Secretary shall convene a Special Meeting of the Association.

#### FUNCTIONS OF THE OFFICERS.

*Article 15.* The President, or, in his absence, any Vice-President, or in the absence thereof, any Member, shall preside at the Annual or Ordinary Meetings of the Association.

*Article 16.* The Chairman or Vice-Chairman of the Council, or, in their absence, any Member thereof nominated by those present, shall preside at the Meetings of the Council.

#### ANNUAL MEETING.

*Article 17.* The Annual Meeting of the Association shall be held in the month of May in every year.

*Article 18.* General Ordinary Meetings of the Association for promoting the interests thereof, and for the discussion of subjects connected with India, shall be held at such times and places as the Council may appoint.

*Article 19.* A statement of the Accounts of the Association shall be prepared, audited by one of the Members of the Council and one Member taken from the general body of the Members of the Society, and circulated with the Report of the Council to each Resident Member, ten days before the Annual Meeting.

#### LOCAL COMMITTEES.

*Article 20.* Local Committees shall be appointed in India by Local Subscribers, subject to the approval of the Council; and the co-operation of independent Local Associations in India is invited by the "East India Association."

#### BYE-LAWS.

*Article 21.* The Council shall have power to make and alter any Bye-laws for the Management of the Association.

#### ALTERATION OF RULES.

*Article 22.* No addition to or alteration in these Rules shall be made, except at the Annual Meeting of the Association, previous notice being given in the Circular convening the Meeting.

#### JOURNAL OF THE ASSOCIATION.

*Article 23.* The Council may, in their discretion, publish, quarterly or otherwise, a Journal, containing a Report of the several General and other Meetings of the Association. Papers submitted for discussion shall be published *in extenso*, or not, as the Council may decide.

JOURNAL  
OF THE  
EAST INDIA ASSOCIATION.

*The Disputed Succession in Afghanistan.*

Paper by Major EVANS BELL, M.R.A.S.

READ AT THE MEETING HELD AT THE WESTMINSTER PALACE HOTEL,  
WEDNESDAY EVENING, APRIL 22, 1874.

S. S. DICKINSON, Esq., M.P., IN THE CHAIR.

A MEETING of the members and friends of the East India Association was held at the Westminster Palace Hotel, on Wednesday evening, April 22, 1874; the subject for consideration being an address delivered by Major Evans Bell on "The Disputed Succession in Afghanistan." S. S. Dickinson, Esq., M.P., occupied the chair; and amongst those present were Prince Iskandar Ahmed Khan, Baron Linden, Sir Arnold Kemball, Sir Henry Green, Dr. G. W. Leitner, Rev. James Long, Colonel French, Colonel Rathborne, Colonel H. Green, Major Prendergast, Captain W. C. Anderton, Mr. John Dickinson, Mr. H. Woodrow, Mr. J. Mackey, Mr. George Shade, Mr. G. J. Holyoake, Mr. B. Gladstone, Mr. Justin McCarthy, Mr. R. Mitchell, Mr. Nowrozjee Furdoojee, Mr. Hurrychund Chintamon, Mr. R. A. Ahmed, Mr. Framjee Rustomjee Vicajee, Captain W. C. Palmer (Hon. Sec. of the Association), &c.

The CHAIRMAN, in opening the proceedings, said that if he had supposed, by taking the chair on the present occasion, he held himself out as qualified to give any special information on the question now to be discussed, he would have hesitated to accede to Major Evans Bell's invitation to preside; but he did not consider his occupation of the chair implied this. He took a great interest in India; he was born there, and passed the active years of his professional life there; and he therefore felt bound in gratitude to do what little he could to advance the interests and progress of that country. (Hear.) The heading of Major Bell's address—which he had had the opportunity of perusing—was

scarcely commensurate with the subject which he would discuss; for in the mere topic of the succession to the *raj* of Sher Ali the public did not and would not take any very great interest, except so far as the settlement of the matter would affect the condition of Afghanistan and the security of the British rule in India. Any measures must have a special interest to the Indian Government which were likely to affect the country that lies as a barrier between us and the advancing frontiers of Russia—a country which would offer a military line in the event of its being necessary to meet that progress beyond the frontier. Considerations on these points formed the subject on which Major Bell would treat, rather than, as the title of his address would seem to indicate, the mere question of the succession in Afghanistan. And with reference to that general subject, of the position in which we stand as regards the future of India in connection with the future of Russia, he (the speaker) would venture to offer a few observations. He came that evening rather as a listener than as a talker, rather as seeking information than as giving it, rather as a learner than as a teacher; and therefore his remarks would be brief. They did not happen to have a map of India in the room, but no doubt the general features of the country were familiar to those present. Whoever takes the merest passing glance at the map must be struck with the fact that India is naturally marked out as a great and self-contained country. He did not allude to its internal features, for these present the most varied characteristics, but to the external features. The boundary-line separating it from its neighbours—and in that was determined the relations of India to those neighbours—was of the most clear and distinct character. From the mouths of the Indus to the mouths of the Ganges there was a coast-line of many hundreds of miles in extent, forming a barrier whose defence was easy. Passing up the Brahmaputra on the west, we come to a vast chain of mountains extending along the whole of the northern frontier, where the great rivers converge and encircle the peninsula. It was in these great rivers and great mountains that they must find the natural frontier of India, the natural barrier to any invasion; here in what might be called the grand vertebral column of the Eastern Hemisphere, the stupendous and majestic range of the Himalayas. Any one, he would repeat, looking at this feature could not help entertaining the idea that here we have provided by nature a country for a great and self-contained nation. Now the question arose, have we anything to fear from external foes passing over these mountain barriers; or have we any fear that a maritime power will attack us by way of the sea-coast? The latter eventuality may be dismissed without discussion, as not within the bounds of present possibility; but in

respect of the first eventuality, the briefest reference to the history of India would show that the tides of conquest have—with the single exception of our own occupation—again and again swept over the country from the north-west. Just as, in our own country, the ocean which now forms our protection in former times bore to our shores hosts of northern invaders, who conquered, overran, and settled in the land, and were absorbed into the nation, so the north-west had sent India vast hordes of invaders who followed a similar course. Hence it was that although here and there, in Hill districts and elsewhere, some remnants of the aboriginal inhabitants of India might perhaps still be found, yet by far the largest portion of the dwellers in the land were descendants of the various tribes of conquerors who had successively occupied the country; and the time seemed inevitably approaching—although it was to be hoped that the British rule would do nothing to hasten it—when, following the fate of aboriginal inhabitants of most countries, the primal races of India would altogether disappear. The tide of conquest passed uniformly over those mountain barriers by a seeming law, until the English came by sea; and at first, under the peaceful guise of commerce, but afterwards in the full panoply of war, they overran the whole country. Being thus, for the time at any rate, masters of India, the question to be discussed was, what is our position as regards the future of India in connection with the regions beyond the great mountain barriers? Now, he confessed that it appeared to him that our power in India depended for its permanence much more upon our government of the country than upon any arrangements which we might make outside our present territory. (Hear, hear.) The position which he maintained was that the future of the British rule in India depends upon ourselves. We have a peculiar characteristic, as Englishmen, of forgetting that the same laws of human nature which affect ourselves also operate on the Natives of India and other countries. Under a good government, we were ourselves a peaceful, loyal, and contented people; under a bad one, we were the reverse. He was in hopes that a different policy was now coming into play in our relations with the Natives of India. But why should we change our external policy? Is there any one bold enough to say that we should increase our power by pushing out and extending our boundaries beyond the Hills into the territories of the chieftains of the North-west? He imagined that few would urge this course; for we should then be in immediate contact with races with whom we have no sympathy either of race, sentiment, or religion, and we should have to keep them in subjection by the iron hand of force. Evidently the wiser course was to continue in our present policy of non-annexation, while at the same time we improved and consolidated our position by exhibiting a well-

governed and prosperous country under our rule. If, then, we have arrived at the conclusion—and the conclusion seemed inevitable—that aggrandisement by the annexation of the territories referred to would not increase but rather decrease our power, was it to be supposed that Russia was subject to a different law? If we find the occupation of vast tracts of wild and semi-desolate country inhabited by fierce, wandering tribes to be a source of weakness, why should we be startled at the advance of Russia to a position of similar difficulty? And if, after all, we are to be invaded by way of Afghanistan, surely our power in resisting it must rest in the fact that we have a contented nation behind us. At any rate, it would be far better to accept the gage of battle on our own ground than to plunge into an unknown region to meet a foe. The time must doubtless come when we shall be in contact with Russia; are we to hasten that time by going out to meet her? He confessed to entertaining the conviction that it would be far wiser to confine the British Empire in India to those barriers which have been marked out by nature, and using our powers to consolidate our forces there, and in providing a good government for the people. We are ruling in India a nation exhibiting a chaos of varying creeds, feelings, and impulses; it is for us to see whether it is not possible to weld them into one great nation, differing in many things possibly, but united in their nationality and desire for progress. Then the time would doubtless come when they would require no teaching from us how to govern themselves, and India would govern itself. His answer, then, to the question, In what way are we to meet the advance of Russia? was that we should make our dominions so well governed that any other nation seeking aggression would find itself unwelcome and resisted by the people. (Hear, hear.) Beyond this, however, there was an external policy which he thought might be carried out. Looking again at the map, they would find that Asia differed from Europe in being divided into a few great empires or states—these being, apart from Russia, Turkey and Persia, and the two kingdoms of Afghanistan and Beloochistan. His conviction was that we should take our rank as a first-rate Asiatic power, and should endeavour to introduce into Asia something of that international law and comity of nations which exists in Europe. We should thus co-operate with and guide these nations—without in any way interfering with their entire independence—with a view to the development of a reciprocal responsibility and the recognition of boundaries, without which there could be no lasting peace among them. The task would not be so difficult as it might appear at first sight, for, with a little encouragement, there was hardly a doubt that Persia and Turkey would heartily co-operate with us. It was a wise policy to cultivate those relations with

the countries to which he had referred, by which English officers would be allowed to take service in the armies of the various states; and the natural result would be to form a combination of powers in Central Asia which would raise an insuperable difficulty in the way of any nation seeking further conquest. He felt he had already detained the meeting too long from the address which Major Evans Bell was about to make, and which would raise all these questions; but he would venture to add that he did not admire the system of giving the ruler of Afghanistan donations of money or guns, or of placing agents of the Government in that country, because it would bring us into contact and perplexity with the Afghans, from which we should find it difficult to extricate ourselves. The better way would be to keep up personal relations with those countries similar to those in existence in the days of Sir John Malcolm, and then no doubt the Afghans would be useful and powerful allies. (Hear.)

Major BELL then proceeded to read the following paper:—

In a little book, "*The Oxus and the Indus*," published in June, 1869,\* it was pointed out that while it had ever been the obvious and avowed interest of Great Britain, as the Imperial Power of India, that there should be a strong and united State in Afghanistan, our action upon that country, always arising from some immediate exigency of our own, had been—if not destructive, as in 1839—of a temporary and superficial character; and that, consequently, we had never succeeded in obtaining, at the best, anything more than a superficial and fleeting result from our military and diplomatic efforts. In 1839, when we violently deposed Dost Mohammed, and restored Shah Sujah; in 1863, when we designedly delayed the recognition of Sher Ali, the lawful successor of Dost Mohammed, for six months; in 1866 and 1867, when we hailed with perverse alacrity the transient success of his rivals,—we bent ourselves to the task of setting up or abetting some *person*—who, if ever so firmly seated, could not live for ever—who was expected to be grateful for our aid, and manageable for our purposes. In every instance our project had failed, as such petty makeshifts are destined and deserve to fail. Without venturing to disapprove of the policy, not then fully explained, under which our support was given to the Ameer Sher Ali by Lord Lawrence at the close of his Viceregal term, and confirmed by Lord Mayo at the Unbulla conference of April, 1869, a doubt was expressed, in that little book, whether, after all, it amounted to more than a makeshift. Our policy would, it was feared, utterly fail again, sooner or later, if it rested on the expectation that the Ameer Sher Ali, in person, or any of his successors, could be kept grateful for ever, and manageable

\* Trübner and Co., 57 and 59, Ludgate Hill.

for our purposes, by means of an annual subsidy or occasional supplies of money and warlike stores. We must have, it was urged, something more solid than a personal basis for our policy.

And in order to supply that more solid and impersonal basis for a policy, to transform the Hill tribes on our North-west frontier into orderly communities, to open a safe road for the commerce of Central Asia, to bring the Court of Cabul more closely under British control, and to check the insidious encroachments of Russia, it was proposed that some Afghan provinces conquered by the Sikhs about forty years ago, and now a heavy burden to us under the Punjab Government, should be restored as a precious boon, on our own conditions, to the Afghan State.

This plan of ceding unprofitable territory to its former possessors, as a means of extending our beneficial influence and concentrating our military strength, met with hardly any contradiction in the notices that were given to the book by the press here and in India. In some instances the policy was provisionally approved, though further discussion was desired. Nothing has been said, or done, or proposed, of which I am aware, to nullify or to modify the difficulties of the situation as they stood in 1869. Nothing certainly has happened, nor have any efficient measures been taken by our Government, to clear the North-west horizon from those two black and gathering clouds that harass and menace the Indian Empire—the persistent hostility of the mountaineers, and the continuous advance of Russia towards the Indus.

In the term of twenty years between the annexation of the Punjab in 1849 and the end of 1868, there were twenty-three little wars against the various Hill tribes along our border of 800 miles, besides innumerable petty expeditions, blockades, and fines on chieftains and clans, enforced by military execution. The force commanded by General Sir Neville Chamberlain, in what is usually called the Umbeyla campaign of 1863 against the "Litana fanatics," numbered more than 9,000 men, including five British regiments; and in the campaign, from the 15th of October to the 16th of December, 1863, our casualties amounted to 15 English officers killed, 21 wounded, and 847 killed and wounded of all ranks.\* In spite of this vigorous effort and heavy sacrifice of life, we again find General Sir Alfred Wilde leading 20,000 men, in 1868, against the unexterminated "Litana fanatics" and the Hussunzyes.

Since 1869 the raids on the North-west frontier can hardly be said to have fallen off, either in frequency or virulence. In February and in April of 1869, there were some little excursions against the Bezotees

\* "Papers, North-west Frontier of India," 1864, pp. 112 and 137.

and other predatory tribes. But the most remarkable fact in that year's annals is the evidence it presents of the ephemeral impression produced by the large body of troops put in motion against "the Hussunzyes" in 1868. We learn from the *Homeward Mail* of November 13th, 1869, that "a British force is at this moment more than half way up the "Black Mountain, and a severe retribution has been taken for the petty "but politically important insults which the Hussunzyes have offered us "so frequently of late." "Last week," it continues, "a large village "was burnt, its crops were wasted, and a hundred and fifty head of "cattle carried off by our troops. This vigorous measure will prove a "significant warning at the very commencement of the cold season."

The "significant warning" does not seem to have been effectual, for, after a lapse of only six months, we hear of a new outrage almost in the same locality. On the 9th of April, 1870, a party of Akazyes from "the Black Mountain" surprised the village of Burcha, in the Agror valley, "killed the head-man, burnt some of the houses, and made off "with all the cattle they could collect." On the 16th of that month the same tribe "plundered and burnt the village of Simbleboote." On the next day they plundered another village, and all the others on the slope of the mountain were deserted by their inhabitants. It is said, also, that the villages in this valley "cannot be protected by the force "in Agror, as there can be no reliable information as to the point of "attack."\*

Then, just a year later, "we have the report of another raid by a "border tribe into the territory of Agror. It occurred on the night of "May 4th," (1871) "and seems to have been an insignificant exploit."†

The raids and retaliatory expeditions hitherto mentioned all occurred to the north of Peshawur. We may now glance at some incidents of a similar nature in the southern district of the province. The cantonment of Bunnoo is about midway between Peshawur and Dehra Ismail Khan, and five miles from what is termed the Western frontier. A letter from this place, dated 13th June, 1870, tells us that "the Waziris on the "Bunnoo frontier are 'up.' On the morning of the 13th inst. a strong "party of the Mohammed Khail Waziris waylaid a relief party of troops "of the Punjaub Frontier Force, proceeding to an outpost called "Koorum, and cut them up almost to a man, six being killed on the "spot, and nearly all the rest wounded. The Waziris then retreated in "safety, with the loss of only one man."‡

It may be taken for granted that retribution fell sooner or later on

\* *Homeward Mail*, May 21st, 1870.

† *Homeward Mail*, June 10th, 1871.

‡ *Indian Public Opinion*, June 21st, 1870.

the guilty tribe, or some of their neighbours; but in this instance it does not seem to have been very promptly administered, for on July 4th of the same year there was an indecisive affair with the Waziris of the Mohammed Khail, near the same Koorum outpost, in which our troops were commanded by Colonel Gardner.\*

Then, two months having passed, a paragraph in the *Indian Public Opinion* of September 6th, 1870, headed "The Mohammed Khail Waziris Again," informs us that "on Saturday afternoon a small party of Mohammed Khail Waziris succeeded in driving off seventeen head of cattle, the guard having returned to the village;" and that "on the 30th ult. a party of about 140 men were seen by a patrol destroying the dam which diverts a stream from the Koorum for the supply of the post."

But, just at the time when the Mohammed Khail Waziris were cutting off our patrols and insulting our outposts, their kinsmen of the Bajir Khail were showing their defiance of the nominal authorities on the other side of the nominal frontier. In June, 1870, the Bajir Khail Waziris killed the Afghan Governor of Khost, and fifty of his people, including ten head-men. Whereupon the Ameer Sher Ali is said to have given orders "to annihilate the mutinous villages of the Bajir Khail, and to that end to have put in motion three regiments, 1,000 horsemen, and four guns."

The extracts that I have preserved are not sufficiently complete to show how the Afghan brigade sped on its avenging enterprise, whether the Bajir Khail Waziris were quite annihilated, or on what occasions punishment was inflicted on the Mohammed Khail Waziris by the British Government of India. There can be no doubt that they were punished. "Our Calcutta Correspondent," in a letter which appeared in the *Times* of March 21st, 1872, describes the penalties levied by a force of 1,300 infantry, 300 horse, and two howitzers, under Brigadier-General Keyes, from the tribes of the Dour valley, who had given aid and comfort to these inveterate Waziris of the Mohammed Khail in some of their freebooting excursions, nearly two years after their ambush against our troops near the Koorum outpost. The triumphant conclusion, of course, is that "the village was stormed and fired; the cavalry completed the work, and the village was destroyed."

The report of the same affair in the *Times of India* of February 19th, 1872, gives the loss of the Afghans at forty or fifty men killed, "while the casualties on our side were only six wounded. Moreover, their village was completely destroyed."

\* *Homeward Mail*, August 19th, 1870.

And yet, in the *Times of India* of June 20th, 1873 (letter from correspondent of the *Pioneer*, dated Pathanpore, June 10th), we are told—more than a year after the last severe punishment inflicted on this tribe—that “the Waziris, notwithstanding their professions of peace, remain incorrigible,” and that, within a few days, they have carried off a small drove of cattle from the village of Jutta, and “eight camels of the 5th Punjaub Cavalry proceeding with supplies to the Tauk Detachment.” “The sowars of the Girnee Fort pursued, but their efforts were useless, for the brigands were safe within their own lawless land.”

No one can refuse the meed of admiration to our officers, both of the Civil Service and the Army, in the border districts of the Punjaub, whose arduous duty it has been to deal with the Hill tribes beyond the frontier since 1849. No one would question their zeal, their talents, their devoted gallantry, or the benevolent objects they have in view. The question to be asked is, what is the good of it all? What profit or glory do we get, what benefit do we confer, what example or lesson do we give, by periodically burning the villages, cutting down the fruit-trees, destroying the crops, and taking the lives of our turbulent and treacherous neighbours? Of course they deserve their punishment; but the punishments inflicted by a powerful and enlightened Government like ours, at a vast expense of blood and treasure, ought to be effectual and corrective. The retaliatory raids undertaken at each provocation during the last twenty-four years, have been barren of reformatory results. All that we can say is, that by means of 25,000 good troops, and the occupation of more than a hundred forts and fortified posts, we manage to hold our own, to repel the occasional aggressions of the Hill tribes, and to give them as good as they bring. The same story is repeated, officially and privately, by every one of local experience, that our relations with the mountaineers are as hostile and inhuman as ever. The late General Sir Sydney Cotton, who served on the North-west frontier in several important commands, including that of the Peshawur division, between 1852 and 1862, who led several expeditions into the Hills, and had unequalled opportunities of observing the works and ways of the unsubjected Afghans, across the border, and of their kindred on our side, expressly states:—

“The heavy arm of our power has been continually felt by these demi-savages of the Afghan mountains, without any salutary or moral effect.

“We have not even caused them to respect us; in fact, they hate us more and more.”\*

\* “The Central Asian Question,” by Lieut.-General Sir Sydney Cotton, K.C.B. (Kershaw, Manchester), p. 8.

"We are continually disturbing our empire, from one end of it to the other, by hasty movements of troops, for the purpose of inflicting punishment on these border tribes, and no sooner is our object attained than the troops return to their quarters; while promises are made, only to be broken, and the withdrawal of our forces leads to fresh indications of hostility. Raids and deeds of blood, on a small or large scale, are the almost immediate, and certainly the eventual consequences of such proceedings. Often such raids remain unpunished, for fear of disturbing the country, to the manifest injury of our name and cause."

Sir Sydney Cotton, an excellent military authority, with great local experience, holds Peshawur in utter contempt as a strategic position, and advocates the immediate and permanent occupation of Cabul, Candahar, and Herat. He says:—

"Peshawur, our main frontier point at present, which was hastily and inconsiderately fixed upon as such, is, for us, in a false position. It is bad in all respects, and certain it is we shall, some day or other, and probably ere long, have either to recede from it or to progress.

"At Peshawur, and on our present line of frontier, with restless and warlike tribes in our front, on our right and left flanks, and our right and left rear, we are engaged in continual wars, and the mountain fastnesses, which were to the Afghans a support and refuge, and consequently a security, are to us the very reverse, being the source of endless trouble and inconvenience."

Another distinguished officer, General Sir Henry Green, for many years Political Superintendent and Commandant on the North-west frontier of Scinde, referring to the "bold and fierce Pathan mountaineers" inhabiting the passes leading to Jellalabad, and the borders from Peshawur down to Dehra Ismail Khan, "numbering perhaps 200,000 men," says, that "to deal with these tribes with any hope of success would be most difficult. They are," he continues, "the most intractable people of the whole border country. The necessity of sending such frequent expeditions amongst them has proved this; and, notwithstanding, they are as unyielding and as little amenable to our rule as ever."†

Sir Henry Green recommends the permanent establishment of a British force at Quetta, close to the north end of the Bolan Pass, within the dominions of our ally, the Khan of Khelat, but overlooking the southern provinces of Afghanistan, and commanding the roads to Candahar and Herat. We should, he thinks, continue to hold Peshawur in force; and the town of Dadur, also within the territory of Khelat, situated at the south entrance of the Bolan Pass, should be connected

\* *Ibid.*, p. 9.

† "The Central Asian Question," by Lieut.-General Sir Sydney Cotton, K.C.B. (Kershaw, Manchester, 1872), pp. 6, 7.

‡ "The Defence of the North-west Frontier of India," by Colonel Sir Henry Green, K.C.S.I., C.B., Honorary A.D.C. to the Viceroy of India (Harrison, 59, Pall Mall, 1873), pp. 16, 17.

by a State railway with the town of Sukhur in Scinde. Sir Henry Green's proposals are avowedly based on the plans of that chivalrous and noble "soldier political," the late General John Jacob, whose worthy pupil and successor he has been. General Jacob, in the extracts given from his letters to Lords Canning and Elphinstone, in 1856-57, suggests that, "in commencing the arrangements for establishing ourselves at Quetta, in addition to the subsidy now payable to the Khan of Khelat, under the present Treaty, we should take into our pay a body of his troops, both horse and foot, to be entirely under their own officers, and managed in their own fashion. Such wild irregulars are invaluable when there is a certain force of our own soldiers to form a nucleus of strength and give tone to the whole." "This would make us," he says, "in a great measure independent of the Afghans, while the enjoyment of regular pay by the Khelat people would have great influence on the Afghans generally." "We might then," he continues, "if we pleased, and it were necessary, safely, and with advantage, subsidise all Afghanistan with money and arms."\*

Sir Henry Green admits that "to carry into execution the proposed arrangements would, beyond doubt, be very costly at first."† For my part, I do not see where the cost would end.

Captain F. Trench, one of that rising class of accomplished and thoughtful young officers, of whom our Army may well be proud, and whose book is an indispensable store-house of the historical, statistical, and geographical facts relating to "The Russo-Indian Question," considers that we must "rectify our present boundary-line," and that, on the whole, the best step would be the occupation by a British garrison of "a strong fortress at Candahar." "One thing," he thinks, "is clear. To subsidise an Afghan Prince may be the cheapest and most politic expedient for a time, but sooner or later (probably within the next five or six years) an onward movement will be found to be the only course that is possible, having regard to the future security of our Indian Empire."

He fears, however, that "there is but little chance of any such decisive action being taken, as it would entail an additional burden on our Indian Exchequer; and as it seems to be a peculiarity of English policy to prefer the most lavish prospective outlay to a present moderate disbursement."‡

\* "The Defence of the North-west Frontier of India," by Colonel Sir Henry Green, K.C.S.I., pp. 27, 28.

† *Ibid.*, p. 35.

‡ "The Russo-Indian Question," by Captain F. Trench, 20th Hussars (Macmillan, 1869), pp. 161, 163.

The disbursements required for the construction of a strong fortress at Candahar, and the introduction of a British garrison into it—necessitating improved communications and transport service—might be relatively “moderate,” but could not fail to be absolutely large; and the “prospective outlay” for the maintenance of the garrison and its contingencies, though not, perhaps, deserving to be censured as “lavish,” would certainly be large also. Admitting the strategy to be sound, if an advance were unavoidable, I do not like Captain Trench’s plan, for several reasons besides that one reason which I hold to be all-sufficient, that it “would,” as he says, “entail an additional burden on the Indian Exchequer.”

Captain Trench and Sir Sydney Cotton are, probably, much of the same opinion, on the financial part of the question, as Sir Henry Green, who thinks that although “the proposed arrangements would, beyond doubt, be very costly at first,” they might, “by proving to Russia that we were prepared to meet her with every advantage on our side, arrest her progress, and prevent a fearful struggle for supremacy—a struggle that would certainly cost untold millions of money.”\*

I do not believe that we should be better prepared to meet Russia by making ourselves progressively more disagreeable to the states and tribes that lie between her frontier and ours. This we should assuredly do if we stationed British troops close to the chief cities of the Afghans—near Cabul or Candahar, for example—or in a commanding position at their gates, and among their habitations, as in the valley of Quetta.† Our military politicians and a large number of our Anglo-Oriental statesmen will not see that a state of war is only justifiable as an open and strenuous effort, directed towards a definite end, attainable within some terminable period. Such a military occupation as they recommend, without the consent of inhabitants or rulers, or with only a colourable consent, of territory which we do not claim to possess or propose to govern, would at once constitute that unendurable condition, a state of covert war, of war without an end. Each British cantonment, with its exceptional and independent jurisdiction, would be a fretting sore, a busy centre of provocation. We should not be able to stand still. The causes of irritation would multiply daily. The rights of employing Afghans and giving asylum to them, of traversing the country in all directions, of freely buying and selling, of importing and transporting, that we should claim, insist upon,

\* “Defence of the North-west Frontier of India,” p. 35.

† “On entering the” (Bolan) “Pass, you are in Khorassan”—i.e., Afghanistan. (“Hough’s Operations of the Army of the Indus :” Allen, 1841, p. 49.) “The provinces of Shawl and Mustoong, formerly subject to Cabul, contain a large Afghan population.” (“Pottinger’s Beloochistan :” Longman, 1816, p. 316.)

and be prepared to enforce, for ourselves and all connected with us, would soon render our occupation untenable, except by a large development of military force, and on the avowed footing of absolute supremacy, if not of actual administration. Far from "arresting the progress" of Russia, or enabling us to meet her with advantage, any of the forward movements that have been proposed would smooth the progress of Russia by making her welcome as a liberator, and would, sooner or later, throw us, in spite of ourselves, into the disadvantageous position of intruders and oppressors. In all probability, the longer open hostilities were deferred, the more extended, the more embittered would be the contest.

And yet, without reference to the progress and the probable designs of Russia, and with sole regard to the promotion of peace and good order, and a secure course for trade, in districts where we have assumed the duties of government, our military advisers are quite right in saying that we ought not to remain as we are. No one can defend the situation as it is at present. What are the real difficulties with which we have to contend? We are on friendly terms with the Afghan State. But neither the Afghan nor the British Government can rule the mountain tribes, or command the passes, because neither Government can, in military language, *invest them*. Thus the entrance to the Khyber Pass on our side, marked by the fort of Jumrood, is in our possession; the exit, after a march of thirty miles, is fairly within the Afghan jurisdiction. The transit between these points lies through a natural fortress, which neither Government can surround or blockade. If the Khyber tribes assume a hostile attitude, the road can only be made safe for a single journey by a military operation on a large scale.

The great object of an open route for the commerce and correspondence of India with Afghanistan and Central Asia, has not been more continuously secured since the annexation of the Punjaub than before, and now seems as far off as ever. Our friendly relations with the Ameer Sher Ali are of no avail for this purpose. Indeed, the Ameer himself, before starting on his visit to Lord Mayo in 1869, was obliged to negotiate with the powerful tribe of Momunds in order to obtain an unmolested journey through the Khyber Pass, and only gained their safeguard at last by the combined administration of threats and presents. He had to do the same on leaving the Punjaub, and to make another bargain for the safe passage of the guns presented by the Government of India. This is the more remarkable because the Ameer is a son-in-law of Saadut Khan, of Lalpoora, a Momund Chief of the Khyber, and is understood to exercise, through this connection, considerable influence over the tribe, though they do not submit to his rule.

The following piece of news, extracted from the overland *Times of India* of August 8, 1873, proves that what ought to be the great thoroughfare from India to Central Asia is still at the mercy of the Hill tribes:—

"The Khyber Pass has been shut up to all travellers for some months past. "Neuroz Khan, son of Saadut Khan Momund, of Lalpoora" (father-in-law of the Ameer, as above mentioned), "tendered an application to the Ameer, offering his services for re-opening the pass, and the Ameer has given him authority to do so. Operations are accordingly to be commenced against the Khyberees, under the direction of General Daood Shah."

A leading article in the *Times of India* of September 12th, 1873, avows "more than a suspicion that the Khyber has been as frequently closed as open during the last year or two."

But, it may be said, these operations against the Khyberees, which, as we have just heard, have been undertaken by the Ameer Sher Ali, may be completely successful. Certainly they may be successful, as many of ours have been, to the full extent of what was expected or intended; the offending tribes may be severely punished. But until there is a Government occupying both sides, and thereby ruling within the Hills, no possible punishment will ever be permanently effectual. Whenever sufficient inducement presents itself, or a good opportunity occurs, the doors can be locked again by those who have never been deprived of the key.

The same topographical and political difficulties, incurable without such a rectification of frontier as I venture to propose, prevent the fertile Swat country—now an impenetrable Cave of Adullam for all rebels and refugees from Afghanistan or British India—from being brought into subjection and order by either of the two Governments. Here lives that mysterious ascetic, Abd-ul-Ghafur, the Akhoond of Swat, whose influence extends "over all the Hill and Plain tribes on the Peshawur frontier," and "as far as Kohat," who is "regarded with reverence by the Pathans generally," and "fills towards them a position" which can only be described "by comparing it with that of the Pope at Rome."\* Swat is the head-quarters of the great Yusufzye tribe, inhabiting, with its numerous clans and subdivisions, a great extent of British territory as well as many settled districts under the Cabul Government. In the Umbeyla campaign of 1863, "when the Akhoond of Swat, so superstitiously regarded, so wildly revered by the people, joined the confederacy against us in person," "the impulse of fanaticism" brought

\* "Papers, Disturbances on the North-west Frontier" (No. 158 of 1864), pp. 68, 132, 133.

"distant tribes to join in the war," whose "open opposition" had not been "anticipated" by the most experienced officers in the Punjab.\*

And so it must be: the Swat country will remain a menacing Alsatia on our border—to become, perhaps, the central stronghold and starting-point of some new fanatical movement or coalition—because its green valleys, though hemmed in on all sides by British and Afghan districts, can be turned or blockaded by neither Power.

In the House of Commons, on July 9th, 1870, Mr. Grant Duff, Under-Secretary for India, referred to the advantages which he hoped a good understanding with the Ameer Sher Ali would give us for checking the raids of the Afghan highlanders. But there are many reasons for believing that such a combination as he suggested would prove to be utterly impracticable. There are many reasons to doubt whether the routes of communication could be kept open permanently, and the Hill tribes brought to order, by any concerted action between the two Governments. Coercive measures carried on in common with an infidel Power against their kindred and co-religionists, would be viewed with great aversion by the Mussulman Afghans—the more so because throughout those operations their own Ameer would manifestly hold a secondary and subordinate position, while the desired objects would appear to them of great benefit to us, and of evil omen to themselves. The utter subjection of the mountaineers and borderers would seem to break down the last efficient barrier between their free Mahomedan State and the formidable empire of Brahmins and Christians on the other side of the passes. They would only so far appreciate the advantages of an undisturbed road for commerce, as to believe that the profits would chiefly fall to the haughty Europeans whom they fear, and the idolatrous Hindus whom they despise.

But all objections to a closer contact with British India would vanish before the brilliant prospect of regaining the lost provinces. There would be no more scruples as to the subjugation of the Hills, when it was known that they were to be brought under the direct control of Cabul, and not of Calcutta—that they were to form a constituent and connecting part of the renovated Afghan State.

So long as England and Scotland remained separate kingdoms, excursions for plunder were incessant among the borderers on both sides of the frontier. Many landowners lived more by black mail than by rent or agriculture. Castles and towers marked out the boundary-line, and every habitation was constructed with a view to defence. Deadly blood feuds inflicted miseries worse than war on great and small. The fierce

\* "Papers, North-west Frontier (153 of 1864), pp. 170, 130.

and unsettled habits arising from the break of jurisdiction prevailed without intermission or mitigation, until James I. became King of England as well as of Scotland. Soon after his accession, the office of Lord Warden of the Marches fell into disuse, the garrison of Berwick was reduced, and the frontier lost its military character. Border feuds, degenerating into private quarrels and petty marauding expeditions, gradually died away, and were suppressed as much by improved public opinion as by combined public force.

We know, from authentic records, that much progress was made—doubtless in somewhat rough style—towards the settlement and subjugation of the Afghan borderers during the prosperous days of the Dooranee Empire. Measures for the maintenance of good order and an open thoroughfare in the Hill regions were taken, in the reign of the great Ahmed Shah, founder of the Suddozye dynasty, between 1746 and 1773, effectual to a great extent, so long as a government lasted, which held both sides of the mountain ranges. His son, Timoor Shah, resided a great deal at Peshawur, and there it was that in 1809 the ill-fated Shah Sujah received, with splendid courtesy, the memorable British mission conducted by Mountstuart Elphinstone. In the disastrous battle of Nowshera (13th of March, 1823), which opened the road for Runjeet Singh up to the mouth of the Khyber Pass, the brunt of the fighting on the side of the Afghan kingdom fell to the Yusufzyes, from the now ungovernable districts of Swat and Bonair. During the confusion caused by the civil wars in Afghanistan and the conquests of the Sikhs, the Hill tribes fully resumed their predatory independence. Since that period all their worst temptations and ancestral animosities have been revived and stimulated by political circumstances on both sides of their mountain home. Religious fury and a rude feeling of patriotism kept them incessantly on the alert, first against the Sikh rulers of the Punjab, and afterwards against ourselves. Internal dissensions made the Afghan Government weak, while the loss of Peshawur diminished at once its resources and its inducements to control the mountaineers. A strong Afghan kingdom, on good terms with our Government, would find those resources restored, and those inducements redoubled, by the peaceful possession of the Trans-Indus Province.

It has been sometimes most erroneously suggested that the location and habits of these unruly tribes are not without some countervailing advantage to us, inasmuch as any invader of India from the north-west would have to force or to buy his way through them. Any Christian army, such as the Russian, would, it is said, excite their jealousy and fanatical hostility as much as the English, would find in them a formidable obstacle to its advance, and a terrible engine for its destruc-

tion, however dearly it might have bought an unmolested march forward, if compelled to make a retrograde movement. But this is to misunderstand the mere elements of the case. No invader from Turkestan or Persia would ever think of entering the Punjaub until he had in some manner secured on his side the Afghan Government of Cabul.

A Power that is placed in immediate contact with the Afghan State—as Russia soon will be, and as Great Britain is not—must thereby acquire, according to the pressure it can bring to bear and the temptations it can hold out, the means of exercising a certain influence over all the Afghan tribes, even over those in the Hills and within the British dominions.

The chief danger to be guarded against is not open encroachment on Afghan territory, or the annexation of Afghan districts, by Russia, acting either in her own name or in that of Persia or of Bokhara. It is the gradual growth of Russian influence at Cabul, till it becomes actual domination with all the forms of friendship. A well-informed writer has recently pointed out that “in General Duhamel’s Memorandum on a “diversion against British India, recently published by the *Allgemeine Zeitung*, on nothing is so much stress laid as on the necessity of an “Afghan alliance.”\*

Some great advantage over Russia, that I am incapable of perceiving and appreciating, may have been gained in the course of our diplomatic action from 1869 to 1873, respecting Central Asia, as it appears in the two Parliamentary Papers that have lately been printed. To the ordinary reader the nett results of the correspondence and conferences would seem to be that Russia consents to recognize as the limits of Afghanistan the actual possessions of the Ameer, and makes a great merit of doing so, declaring, however, that she is “the more inclined to this act of courtesy “as the English Government engages to use all her influence with Sher “Ali, in order to induce him to maintain a peaceful attitude, as well as “to insist on his giving up all measures of aggression or further con- “quest.”† Thus—with a passing sneer at our “subsidies”—Russia secures good grounds for a grievance against us, and for interference in Afghan affairs, whenever it pleases her to set up a dispute as to boundaries or as to river navigation between herself, or one of her vassals, and the Ameer of Afghanistan. At the same time it is observable that no present cause is given the Ameer Sher Ali for a grudge against Russia, whose desire to keep on good terms with him is further manifested by General Kaufmann’s conciliatory letter on the subject of the intrigues of the

\* *Quarterly Review*, April, 1873, p. 518.

† Papers, Central Asia (C. 699 of 1873), p. 15.

Ameer's nephew, Abd-ur-Rahman.\* Meanwhile, Abd-ur-Rahman remains as a guest at the head-quarters of Russian Turkestan.

It already appears clear enough that the assurances given by the Russian Government to Lord Granville that Khiva is not to be annexed or permanently occupied † are of about as much value as were those given to Lord Clarendon in 1869, and repeated in 1870, that the Emperor would not retain Samarcand.‡ The well-informed Prussian correspondent of the *Times* writes as follows on the subject of the Khiva campaign:—

“The principal object of the expedition is the exploration of the Amoo” (the Oxus) “Delta. If one of the various arms prove navigable, or can be made so, “Russian steamers, after the coercion of Khiva, will soon ascend from Lake Aral “as far as Koondooz and the borders of Badakhshan. The scientific expedition “which has already reached the mouth of the Amoo may be destined to mark an “epoch in the history of Central Asia.”§

Since that date the military expedition has proved completely successful. The defensive strength and resources of the Khan of Khiva have been found to be utterly insignificant. The capital was taken almost without resistance. By the 1st Article of the Treaty that closes the war, the Khan “professes himself the obedient servant of the Emperor of All the Russias,” and “renounces the right” of making war or “entertaining direct relations” with any sovereign or chief. An indemnity for the war expenses is imposed, which, as it can never be paid—though the Treaty stipulates for its gradual payment by instalments, ending in 1893—makes the State of Khiva, if allowed to exist at all, tributary and subordinate for ever to the Russian Government. The Khan cedes to Russia all the Delta of the Oxus, and all his territory on the right bank of the river, with power to establish “factories,” “harbours” and piers,” on the left bank. Then there is the extraordinary stipulation that the free navigation of that river is reserved to Russian steamers and other ships, Khivese and Bokharese boats being only permitted to navigate the river with the special sanction of the Russian authorities.|| Thus Khiva is completely cut off from the sea of Aral; and Afghanistan—although Koondooz, and Badakhshan, and the sources of the Oxus are within her limits—is henceforth cut off from the navigation of that river.

\* “Papers, Central Asia” (C. 704 of 1873), pp. 43, 44.

† “Papers, Central Asia” (C. 699 of 1873), p. 13.

‡ “Papers, Central Asia,” No. 2 (C. 704 of 1873), pp. 9 and 48.

§ Letter dated “Berlin, June 3rd,” *Times*, June 6th, 1873.

|| The substance of the Treaty, which is dated August 25th, 1873, was telegraphed from Berlin by “Our Prussian Correspondent,” and appeared in the *Times* of November 25th, and the terms of a similar Treaty with Bokhara, dated September 28th, 1873, were published in the *Times* of January 6th, 1874.

Here are the materials for a very pretty quarrel or for a magnanimous transaction, whichever may, at some future period, best suit Russia.

The Prussian Correspondent of the *Times*, in a letter dated 26th July, 1873, says, "It is believed that the largest arm of the" (Oxus) "Delta" "can be easily deepened by closing some of the irrigation canals. Further up the Amoo is a deep and magnificent stream as far as "Koondooz." \*

From the same valuable source of information we are told, in a telegraphic message dated "Berlin, December 2nd," that "Russian officers" "have been commissioned to investigate the feasibility of constructing a" "canal between the Amoo Darya and the Caspian Sea. It is intended to" "utilize the ancient bed of the Amoo, the most westerly portion of which" "communicates with the Bay of Krasnovodsk. If the scheme is practicable, a direct communication by water will be established between the" "city of Tver, six hours from Moscow, and the town of Koondooz, on the" "frontiers of Badakhshan." †

We may, therefore, resign ourselves to the fact that the Oxus, formerly navigable down to its mouth, and the main stream of which is said to be capable of improvement or diversion, has fallen under the exclusive control of Russia. Even if it should prove impossible to open the Oxus for boats into either the Caspian Sea or the sea of Aral, Sir Alexander Burnes declares the river to be navigable from the Afghan district of Koondooz to a point very near Oorgunj, the old capital of Khiva, a distance of about 550 miles; and says, moreover, that the river actually is navigated by "boats of a superior description"—some of which must surely belong to Afghan subjects, men of Balkh or Koondooz—fifty feet in length by eighteen in breadth, "constructed of" "square logs of wood, each about six feet long, formed of a dwarf" "jungle tree called 'sheeshum,' which grows in great abundance" "throughout the banks of the river." ‡ Besides this tree, he mentions having seen "furze and tamarisk," and also "mulberry and white" "poplar;" "the last," he adds, "is floated down the river from Hissar" (within Afghan territory) "to Charjoee, and applied to purposes of" "house-building." "There is," he continues, "every facility for building" "a fleet of boats, the supply of wood being abundant, and, fortunately," "found in single trees along the valley of the river, and not growing in" "forests in any partial spot." § This even distribution of the timber

\* The *Times*, Tuesday, July 29th, 1873.

† The *Times*, Wednesday, December 3rd, 1873.

‡ "Travels in Bokhara" (John Murray, 1834), vol. ii., pp. 190 and 196.

§ "Travels in Bokhara," vol. ii., p. 198.

would make it peculiarly available for the supply of a very pressing want in the strategy of these days—unfelt when Burnes wrote—fuel for steamers.

If the frontier of Russia thus virtually advances to the Upper Oxus, while the Hills continue to form a debateable land between British India and Afghanistan, Russian influence at Cabul will be absolutely supreme. Russia, firmly established on the Oxus, would not only overawe the rulers of Cabul, but could sway them at her will by displaying before them at any convenient crisis the bright prospect of recovering the Afghan Provinces conquered by Runjeet Singh, and held against them by us. If we neglect to use that lever for the friendly subjugation of the Afghans, we shall have it used against us whenever the occasion arises. A doubly favourable occasion would be prepared if we should ever be tempted into a military occupation of any more Afghan territory.

With the Afghan Government at her beck and call, Russia would not have to force her way through the Hill tribes. She would be able to push them on a long way before her. Any Power that would arm them and provide them, and push them on towards Delhi, would be a lawful Power for them, even though European and Christian, even though engaged at the time in the conquest of Constantinople. What do they know of the Sultan of Turkey? Their most inspiring traditions, their loftiest notions of religious glory and worldly renown, their ballads and tales, their debates by day and their dreams at night, are of the slaughter of idolators and the plunder of Hindustan. In order to make the mixed multitudes of India surge and quiver, from north to south, with a strange conflict of wild hope and equally wild panic, it would be enough to instil some organization and concert into the raids of the border tribes, and to spread abroad the rumour that they were acting under the instigation and guidance of the Afghan State, and of a still greater State in the background. By some such manœuvres, and without marching a single battalion out of the annexed or protected territory of Turkestan, Russia would be able to paralyze our military power by giving it full employment within the frontiers of India. Nor would the situation be much improved for us or impaired for her, if, by long-continued intrigues and affronts, we were at last drawn on into a Central-Asian expedition, before which Russia might retire without giving us any materials for a triumph, knowing that she could come back whenever the coast was clear, and calculating that, meanwhile, every day of our campaign or occupation would add to our expenses and increase our political difficulties, both in Afghanistan and in India.

Any one or some one of the plans for advancing beyond our present limits may be perfectly sound from a strategic point of view, if the

Russians were likely to accept battle at a short date, so that the struggle might be brief and decisive. But we have no reason to expect that any such solution would follow the enlargement of our military area. The strategists themselves do not expect it. For example, Sir Sydney Cotton's plan of stationing what he calls "subsidiary forces" at Cabul and Candahar, and holding other strong places in Afghanistan, may be quite unimpeachable as a military movement; but the gallant General—in common with all those ardent spirits and local experts who recommend what they lightly term "the forward game" of an advance, whether by Quetta or Jellalabad—means much more than a military movement or campaign. He means a great political aggression, the permanent occupation of a free country, against the will of the inhabitants and their rulers; the institution of what I have called a state of covert war without any definable end. This is perfectly clear, because the General says that "the establishment of British envoys *in security* at "Cabul, Candahar, and Herat," which he considers to be "essentially "necessary," would be "impracticable," unless they were "supported by "subsidiary forces at Cabul and Candahar."

A subsidiary force, properly so called, is a force the annual cost of which is provided from some tribute, cession, or territorial assignment granted by the State which accepts the service. But in this case there would be neither acceptance nor grant. Even if the Afghan Government were a consenting party, and willing to do its best, it would be utterly unable to make any appreciable contribution towards the maintenance of a British contingent. The country is so poor that no regular supplies worth having, either in money or kind, could be levied by the strictest requisitions. Whatever subsidies were wanted for a British army of occupation in Afghanistan, would have to be furnished from the Indian revenues. A profuse expenditure might keep the Afghans quiet for two or three years; but how would the additional drain—the annual 3,000,000*l.* or so, to be cast upon the stony ground of Cabul—be liked in India? The Indian Exchequer could not provide for it without some new inroad, which would have to cut more deeply than the relinquished income-tax into the scanty resources of an under-fed and almost unclothed population.

That misapplied term, "subsidiary force," reminds us, therefore, that the plan of occupying strategic positions in Afghanistan cannot be considered merely as a military question. The political effects of "the "forward game" would extend far beyond the confines of Afghanistan or the Punjab. All India would be affected. It is an imperial question of supreme importance.

But if an onward movement be rejected, something must be done.

So far our military advisers are unquestionably in the right. We cannot sit still while Russia creeps towards India, securing every step, improving her communications, destroying our external influence, and making the very weakness and disquietude of our present boundary-line a source of her own strength. What remedy can be devised except that which I have proposed ?

Our North-west frontier system, while it is enormously expensive and burdensome, has hitherto signally failed, and there is no prospect whatever of its attaining a safe or steady equilibrium. We have, in fact, no frontier at all, and are in contact along the border with no responsible authority. The mountains that divide us from the Afghan State are inhabited by lawless freebooters, subject to no government, owning no ruler, recognizing no interests or duties, beyond the circle of their separate clans, who form a barrier against peaceful intercourse from either side, but set up no obstacle in our favour against hostile operations. Their interposition enfeebles our influence beyond them, leaves the Afghan State exposed to pressure from other quarters, and relieves it from wholesome responsibilities that are indispensable for the safety of India. I propose to break down the barrier by making it an integral part of the Afghan State, which would thenceforth be in close contact with the Indian Empire, and could always be called to a prompt account if British interests were injured or threatened.

The only plans offered for the improvement of our frontier system by the experienced local officials who fully admit its failure, involve an immense increase in our expenditure, while every problem, political and military, beyond and within our present frontier, would, as I have endeavoured to show, not only be left unsolved, but would be still more complicated than before.

By ceding to the Afghan State, on carefully devised conditions, the Peshawur Division and the Derajat, most of our difficulties would disappear, and all of them would be simplified. It is difficult to foresee what objections that will bear a moment's thought can be adduced against this measure. It cannot be shown that by adopting it we should lose any stock of strength or wealth, in possession or in prospect. It is not, from any point of view, a self-denying ordinance ; it is not a relinquishment of revenue. The expenses of the Peshawur and Derajat Provinces are immensely in excess of the receipts, and the proposed cession would clear the way for material and immediate economies. It is not the abandonment of a good military position ; it is a retirement from a most deadly and unmilitary frontier—which is, in fact, no frontier at all—to a stronger and more healthy line, where our troops, though in smaller numbers, can be conveniently concentrated in formidable and

disposable masses. By the same operation a doubtful friend and possible enemy is drawn out, cheerfully and gratefully, from an inaccessible region into a position so weak and so open to our power, that he is at once reduced, very much to his own benefit, into political subordination and pupilage. It is not the avoidance of a troublesome duty, or the desertion of a field of beneficent work; it is, on the contrary, the adoption and application of efficient means for performing our duty and carrying out our work, the means hitherto employed having utterly failed. Having, for more than twenty years, endeavoured in vain to induce those Afghan Hill tribes with whom we are in immediate contact, to walk in our ways, or to treat us as friendly neighbours, we give them up, securely enclosed on all sides, to their own brethren, and ask the reunited nation to construct an orderly State, according to our principles, with our counsel, and to some extent under our control, but by their own methods, with their own appliances, and on their own foundations.

In the circumstances attending the accession of the Ameer Sher Ali, and his deferred recognition, the best possible illustration will be found of an opportunity for assisting the Afghans to build on their own foundations—an opportunity which was, unfortunately, rejected and perverted by the Government of India. The lost opportunity may still be regained. The most urgent problem of Afghan politics is that of succession to the throne. However strong may be the ties of natural affection and mutual respect between the Ameer and Yacoub Khan, said to be the most able and popular of his sons—complete as may be the father's authority and the son's obedience, while their relative positions and obligations last—there can be little doubt as to Yacoub Khan's determination to succeed his father, or as to the Ameer's desire to secure the inheritance for his favourite son, Abdoolah Jan. Unless a decree for the next succession—or, better far, a permanent rule and procedure—can be settled while Sher Ali lives, his death will be the signal for another fratricidal contest, involving once more the Afghan State in anarchy, and threatening its dismemberment. If we are unprepared for this crisis, Russia, we may be sure, will not overlook its approach. If, when it comes, we are still separated from Afghanistan by lofty mountain ranges, while the Russians are in contact along the Oxus, they will be able, by gentle and unobtrusive means, to which we could oppose nothing but military violence, to manage the crisis in their own way. Without moving a bayonet across their acknowledged frontier, the rulers of Russian Turkestan would be able either to bend the Afghan State under oppressive obligations, or to break it up for their own benefit. Russian patronage and a little money would suffice to turn the scale in favour of their chosen candidate, or Balkh and Badakhshan might be reclaimed and occupied by their vassal, the

Ameer of Bokhara. A pretext and an occasion would never be wanting in the midst of a civil war.

It may be said that the Russian Government cannot compete with ours in the expenditure of money, and that if Russia were to enter any Afghan province, either openly with her own troops, or by pushing on Bokhara, we could bring a superior force into the field and easily repel the invaders. But that is not the question. No sane person, surely, would advise us at any time to engage in a competition of subsidies with Russia for the benefit of Sher Ali Khan. It would not be for his real benefit. It would spoil him and his successors, both as rulers and as allies. No sane person, surely, looks upon a campaign in Central Asia, —whether with Russia against us as an avowed enemy or not—as a desirable or indifferent contingency.

There can be no doubt that the military resources of the Indian Empire available for employment in Central Asia far exceed at present those that could be opposed to them by Russia. We need not shrink, on military grounds, from a campaign beyond the Indus, or beyond the Oxus. Our troops would be welcome in Afghanistan or in Bokhara if it were clear that they only went there to fight or to drive out the Russians. But such operations would be very expensive, and an "impatience of taxation" is beginning to manifest itself in India, whence, in conformity with precedent, the funds would have to be drawn. Russia, though poor in comparison with Great Britain, is rich in comparison with India, and can raise all the money she wants without any political anxieties. And if we look at the comparative cost of establishments, we shall find that money goes a great deal further in Russia than it does in India. All the charges of our army in India are on a very grand scale, and would have to be very much aggravated before we could pass the Oxus. Without feeling any excessive anxiety as to the troubles of such a tame creature as the Indian tax-payer, neither Indian financiers nor Indian fund-holders ought, perhaps, on cool reflection, to feel quite satisfied at such a prospect of enhanced expenditure.

The real question, therefore, is not whether we can beat Russia in subsidising or in fighting. The real problems to be solved by the Indian statesmen are, how to avoid both military and monetary operations beyond our frontier, how to avert a civil war in Afghanistan, and, should a contest commence, how to keep its issues within our own control, and insure its being a short one. To attain these objects, the Afghan State must be vitally connected with India, and made a recognized part of our Imperial system.

When we have once installed an Afghan Governor, with a well-chosen British Envoy close by him, at Peshawur—in former days a

favourite winter residence of the Afghan Sovereign himself, and likely to be so again—the Russians may be allowed to embank the Oxus with their forts, and encouraged to navigate it with their armed or unarmed steam-vessels, for British influence throughout the Ameer's dominions will then be paramount and irresistible. The Hill tribes will then be subjects of the Afghan State. Afghanistan, richer and stronger for our profitable retrocession, will be an unpaid outpost of the Indian Empire, a willing basis of operations if it should ever be necessary to wage war beyond her frontiers.

Among the details of the terms of transfer, on which no decided opinion need be given here, it may be doubtful whether there should not be a condition reserving to the British Government the right of holding a camp of exercise at its discretion—practically, perhaps, every second or third year—within the Trans-Indus Provinces, when an efficient force of Afghan troops might be bound to appear, to be regularly mustered, and to take their place in line, under the command of the English General. It would probably be more convenient in ordinary times to have the manœuvres within the Peshawur Province, though in the actual terms of the Treaty it would be advisable to stipulate for the same right in any part of the Afghan dominions. The irritations and entanglements that wait on a standing garrison or cantonment need not be feared during the three active months of a movable camp of exercise.

The great political want of Afghanistan, the chief obstacle to the establishment of an orderly and progressive administration in that country, and to the formation of any weighty engagements with its ruler, is the absence of any law of succession. This crying want we should induce the Afghans to supply; this grievous obstacle we should persuade them to remove. We ought not to endeavour to do the work for them, or to dictate the details; but try to lead them to do it for themselves, and as much as possible in their own way. We should help them to build on their own foundations.

An article of great merit and interest, entitled "Recent Events in Afghanistan," in the *Edinburgh Review* for July, 1873—which, if not officially inspired, is written with full official information—warns us to take no part on either side in the contested inheritance, and tells us that during the Umballa interviews of 1869, although Lord Mayo gave "good counsel as to conciliation rather than severity," he "was careful to say no word in favour or disfavour of any particular successor." "Such a word," the writer continues, "would have immediately roused the jealousy of foreign intervention, which is, perhaps, the dominant passion in that strong-passioned and uncontrollable race."\*

\* *Edinburgh Review*, July, 1873, p. 297.

With all this we may fully concur. Not a word should be said by us in favour or disfavour of any particular successor. More than that, the Government of India should endeavour to divest itself of any predilection for any particular candidate. The personal element should be, as far as possible, discarded from our calculations, and entirely from our propositions. Our object should be to promote in Afghanistan the growth of legal principles and formal procedure, so that good and orderly government may gradually come to depend less on the personal abilities and character of the reigning Prince than it does at present.

It would be a great step in the right direction if we could get the Ameer, with the assent of his family, his Ministers, and the leading Chieftains, to promulgate a rule for settling the succession, and a method for securing its peaceable observance. Such an important advance could never be made without some powerful motive operating upon all the parties concerned. The advisability and wisdom of the course recommended, though by no means above their comprehension, would not suffice to subdue contending passions and interests; but the motive held out by the British Government to the Ameer and his Durbar might be made all-powerful and irresistible. No Prince or Chieftain would venture or would be allowed to impede with his private ambition the restoration of the Afghan Provinces conquered by Runjeet Singh. No course need be proposed that would be in the least humiliating or burdensome to the Afghan State. The British Government, before transferring districts that have been under its administration, is obviously bound in honour and duty to take measures for saving them from the anarchy and misery of civil war. Such conditions would, therefore, be suggested as might best prevent the recurrence of a disputed succession. The Ameer would be asked to carry out effectually the programme of his illustrious father. We should ask that an heir and a rule of inheritance should be chosen, not so as to please us, but so as to please those in the family and the State who might have power to disturb or support a succession. And if it were once well understood that the settlement, when duly made and recorded, would be no mere idle form, but would be placed virtually, if not expressly, under the safeguard of the Indian Empire, there would be little or no danger of any one at any time revoking his acceptance or suffrage. The odds against him would be too great; these very Trans-Indus Provinces would constitute a material guaranty for good order and good faith, in this and other points, always within our grasp.

In about the last week of 1873 (when this paper was completed) a formal communication had been received at Calcutta by the Viceroy of India, from Sher Ali Khan, announcing the nomination as heir-apparent

of his younger son, Abdoolah Jan,\* and it is understood that the question having been referred for the consideration of the Secretary of State, the Ameer still waits for an answer ; while Yacoob Khan has also made an appeal in some form to Her Majesty's Government, asserting his personal claims, and is taking all the means in his power to strengthen his hold on Herat.

Of course there are those—especially if they have graduated in the Calcutta Foreign Office, or fallen under its influence—who will deride the suggestion of good order or good faith becoming possibilities in Afghanistan, who will for ever declaim against the incurable defects of Afghan character and customs, who will continue to protest that the formation of a strong Government on Afghan soil is a complete impossibility. If we did not know something of the blinding effect on the English mind produced by the climate of Bengal and by purely official relations with Eastern races, we should be inclined to suppose that our Anglo-Indian experts—competitive examinations notwithstanding—had never heard of the Wars of the Roses, or of the long Carlist war and numerous insurrections in Spain during the last forty years. Spain has made great progress, materially and morally, since 1833, in spite of, partly perhaps in consequence of, those cruel wars of succession. When gentlemen who have won academic honours and high official rank talk of predatory tribes and petty jurisdictions as abnormal phenomena peculiar to Central Asia, we can only wonder if they have ever heard what the political condition of Germany or of Scotland was in the Middle Ages, or of Italy towards the close of the sixteenth century, during the Pontificate of Sixtus V. Is it possible that they can have ever tried to form some notion of the early years of our Henry the Seventh's reign, when half the property of England changed hands—when every man who had served Richard the Third became the new King's "rebel" or "traitor," and his land, goods, and money were made forfeit to the Crown? Have they any clear idea of the forces at work and the feelings prevalent in these islands when the following words were penned by a well-informed person of high rank and culture, the letter being dated in November, 1748?

"New dangers threaten us from the untameable bigotry of the Scotch Jacobites, encouraged by the insolence of their friends in many parts of England. We hear that one of the Frasers who was witness against Lord Lovat is already murdered in Scotland, and his house burnt down to the ground. Lord Elcho and some others of his fellow-rebels are returned to the Highlands, and the youngest son of Lord Lovat, who was lately at Utrecht, has come over and joined his father's clan, and seems resolved to keep possession of the estate."<sup>†</sup>

\* *Times* of January 1st, 1874 ; telegram from Calcutta, dated December 31st.

† "Letters of the First Earl of Malmesbury," &c. (Bentley, 1870), vol. i., p. 70.

It may be that as late as the middle of the eighteenth century there were English and even Scottish politicians who, with Pharisaic pity, despaired of the Highland clans and their Chieftains ever being converted into orderly citizens; but surely we have learned something since 1745 in both historical and political science.

If the relations between the British Empire and the many alien states and communities beyond its immediate bounds, or encircled by them, and more or less under its rule, protection, or influence, are ever to assume a healthy character, with some promise of permanence and consistency, our most exalted functionaries in India must be taught certain lessons which, judging from their conduct and counsels up to the present day, they will never learn for themselves. They must be taught, by detailed instructions from home, in matters of Imperial policy, not to despise Asiatics, whatever their complexion or creed—not to despair of the progress of an Asiatic State, though left to its own devices. We meddled most unfairly with Afghan affairs from 1839 to 1842; we neglected them most unfairly from 1863 to 1868. Though I am far from saying that British influence and example have been of no avail, for I believe both Dost Mohammed and Sher Ali profited by them largely, it is in the main true that in the last quarter of a century the two Afghan Ameer, acting almost entirely without our help, and with very little of our advice, made great progress, by concentrating their strength, improving their administration, and humanizing their political practice. But not a glimpse of this progress ever seems to have been perceptible at the Calcutta Foreign Office.

In the second article from his pen which appeared in the *Fortnightly Review* of March, 1870, under the heading, "Mischievous Activity"—the former one of December, 1869, having been entitled "Masterly Inactivity"—the lamented Mr. J. W. S. Wyllie, who held an important position in the Calcutta Foreign Office during the Viceroyalties of Lords Elgin and Lawrence, condemned the policy of supporting Sher Ali, initiated in the last days of his Viceroyalty by Sir John Lawrence, and carried out by Lord Mayo, declaring that "British influence in Afghanistan is staked on the fate of one ungrateful and half-crazy individual, 'who clamours to us for more gold as his only chance of escaping 'annihilation.'"

He says that there are "in the national character and customs of the 'Afghans inherent defects,' which render 'the erection of a strong 'Government' on their soil 'a complete impossibility.' 'We all 'know,' he continues, 'the homely adage about a silk purse and the

\* *Fortnightly Review*, March, 1870, p. 301.

"material out of which it can't be made." And then, after quoting several authorities as to the turbulence and lawlessness of the Afghan Chieftains and people, he inquires: "What is to be done with fellows of this kidney? We cannot make the Ethiopian change his skin, or the leopard his spots."\*

The "inherent defects" in the constitution and customs of the Afghan State and of Afghan society are (as Mr. Wyllie perceives) the very defects which the Ameer Sher Ali has been persistently endeavouring to cure; but all such endeavours on his part are "Utopian," and all attempts on our part to help him must be "artificial." "The Sirdars, or Chiefs of clans," he explains, "are all sovereigns within their respective domains." "The authority which the Ameer, the head of the principal clan, nominally exercises over them all comprises, at best, little more than a right to levy a fixed proportion of troops and money from each for the common defence."† "These federal and feudal arrangements Sher Ali endeavoured to replace by a system of monarchical centralization. He wanted a standing army of his own; and, still more, he wanted local treasuries of his own, so that the taxes might reach him entire, and the emoluments of the provincial governors take the form of fixed salaries."‡

Sher Ali Khan, that "half-crazy individual," having recurred, after his reinstatement, to "the self-same scheme for exalting the kingly power" which had proved so unpopular "soon after the commencement of his reign," is declared to have, "like the Bourbons of the Restoration, learned nothing in adversity and forgotten nothing."§

One might have thought it would have been clear enough to the student of history that there is a period in the progress of nations when the exaltation of kingly power is a step forward, although there may be another period when it would be a retrogression. Louis XI. was a true reformer, though Charles X. was a reactionary.

It might have been equally clear to the practical administrator that the "unpopular measures" || on which the Ameer Sher Ali was persistently bent were indispensable for the formation of a regular and orderly government. But no! "Can the Ethiopian," he asks, "change his skin, or the leopard his spots?" The "normal constitution" of Afghanistan is that of "discordant tribes," "of several weak and antagonistic principalities." ¶ The Afghan Prince was "a half-crazy individual"—in short, a fool—to dream of rushing in where an adminis-

\* *Fortnightly Review*, March, 1870, pp. 304, 305.

† *Ibid.*, p. 304.

‡ *Ibid.*, p. 298.

§ *Ibid.*, p. 298.

¶ *Ibid.*, p. 305.

§ *Ibid.*

trative angel, even a British Resident or Commissioner, might fear to tread.

In the four years, however, that have elapsed since ridicule was thrown upon his efforts, the Ameer Sher Ali has manifestly gone a great way towards overcoming "the inherent defects" of the national character, and transforming the "normal constitution" of Afghanistan. It would be too much to say that he has brought all the treasures and all the troops throughout his dominions under his direct command, that all the feudal Chieftains have sunk into provincial governors, still less that all the "discordant and antagonistic" tribes have been reduced to order and obedience; but most of the Chieftains, including the Princes of his own family, one or two of his sons excepted, have been deprived of control over the local finances and forces, their *jaghires* being resumed and commuted into a money payment, and their personal followers disbanded or enlisted into the Ameer's newly-organized regiments. And, according to the best and latest information, the cultivators of the resumed estates throughout the Afghan territories rejoice at the change, and find the Ameer's assessments much easier than the indefinite demands of the Chieftains, whose insecure tenure made them grasp at all that could be got in each year. There can be no doubt that these were "unpopular measures" with the Princes and Chieftains and all their class. Thus it was that Sirdar Ismael Khan, the Ameer's nephew,\* being aggrieved at his reduction from the position of a territorial feudatory to that of a salaried commander, was twice detected in treasonable conspiracy against his uncle's life, and, having been once forgiven, was, after the second attempt, finally placed in the custody of the Government of India at Lahore, where he died in 1872.

A very recent article in the *Edinburgh Review*, evidently based on the most authentic official information, bears testimony to the "strong natural affections" of the Ameer Sher Ali, and describes how measures of combined coercion and conciliation at length brought the most able and ambitious of his sons, Yacoob Khan, to his feet, and led to "bursts of penitential confession on the part of Yacoob, who said he 'lived only to be forgiven, and would welcome death at his father's hands' if pardon were once obtained."† His father gave the greatest proof not only of undiminished paternal affection, but of undisturbed confidence and cool temper, by restoring the pardoned rebel to the government of Herat. When, in addition to these later instances of his clemency and self-command, we call to mind his repeated and ill-requited

\* Son of his brother, Mahomed Ameen Khan, who was killed, fighting against him, in the same battle before Candahar in which his own son fell.

† *Edinburgh Review*, July, 1873, p. 296.

forgiveness of his brothers, Afzul and Azim Khan, and mark his efforts at reform—even if they be, in some respects, premature and purely imitative—it will be no more than justice to acknowledge that in prosperity, as in adversity, the Ameer Sher Ali—very unlike the Bourbons—has evinced a great faculty for learning, and a great and generous alacrity in forgetting. Such a ruler merits our sympathy and support.

Colonel A. B. RATHBORNE said he was not prepared to offer any extended criticism upon the able address with which they had been favoured, but he would venture to express his conviction that whatever might be the value of the advice given by Major Bell—viz., that we should surrender territory to the ruler of Afghanistan—the thing itself would be an extremely difficult operation to put into execution, and even if it could be done it would be considered, throughout India and Asia, as an evidence of our weakness. Hence, although abstractedly it might be better that we should retire, the idea of abandoning the territory we at present hold is untenable in view of the effect it would have on our prestige in Asia. As for the other suggestion to which reference had been made—that we should enter Afghanistan and meet Russia by occupying that country in military force—there could not be a doubt that this would be one of the greatest mistakes in the world. (Hear, hear.) Our evident line of defence is the line of the Indus, where we are close to the bases of our supplies, where arms and ammunition and all the *matériel* of war are at hand or easily accessible, and where the river steamers would enable us to feed the forces we maintained. On the other hand, Russia, in attacking us, would have to bring men, horses, guns, and all the other munitions of war, through Afghanistan and other enormous tracts of the most difficult country. Under such conditions it was utterly impossible for Russia to enter India with any prospect of success. And as the system of military arrangements which is now going forward tends more and more to heavier armaments and larger guns, just so much do the difficulties of Russia in the way of carriage increase. To leave our military base, to abandon a secure line of defence, to move away from our sources of supply, in order to plunge into Afghanistan, would be the greatest possible blunder. It would be a mistake even if we could reduce the Afghans to a peaceful and orderly people,—and he need not say that the error would be greatly aggravated in view of the fact that the Afghans are a wild, untameable race, whom it is hopeless to expect would ever be the enduring friends of the English. As regards the succession in Afghanistan, there is no doubt we have interfered, and we have always been interfering, instead of allowing the national customs to operate. From this source sprang our troubles

in Scinde, and we can hope to gain nothing by interference in Afghanistan. The succession in Afghanistan is determined not by any fixed rule or law at all, but by the opinions and predilections of the favourite lady of the harem; and at present Abdoolah Jan is the fortunate nominee, thanks to this influence. In any case the Indian Government can do no good by intermeddling on either side. We have only to look at the fact that we have a strong line of defence and abundant means of holding it, and we are resolved to stand by it. For the rest, we can be neighbourly and civil—we can transact commercial business for mutual benefit; but it should be distinctly understood that we mean no more and will do no more than this. (Hear, hear.)

Dr. LEITNER said it was no mere empty compliment to say that Major Bell is looked upon in India as a power—as, indeed, any man must be who, having knowledge, is at all independent; and when, in addition to knowledge and independence, there was added, as in the case of Major Bell, a large amount of energy, he became highly dangerous in the estimation of those whose interests and associations have made them dislike or put aside knowledge. At the same time he would confess to entertaining the opinion that if the Government of India had heard Major Bell's proposal that evening, they would have been intensely delighted, because it was just supporting what, no doubt, will be their ostensible policy hereafter, as it has long been their concealed or unconfessed one—viz., that on the one side they permit, or even encourage, the Ameer of Cabul to annex as many countries of the neutral zone as he can; while, on the other side, they practically do the same with regard to the Maharajah of Cashmere. (Hear.) Not long ago, he heard it mentioned as a grievance that Major Bell, who is in receipt of a pension from the Indian Government, should constantly agitate against the Government,—as if a pension were a bribe, and not a reward for services in the past. But now Major Bell's proposals were such as would admirably adapt themselves to the schemes of the Indian Government—so well indeed, that, if they knew it, he would not be surprised at their doubling Major Bell's pension. (Laughter.) The fact with regard to the connivance at the annexations made by Cashmere in defiance of its treaty with us, was, however, that the Indian Government have not knowledge or vigour enough to initiate a policy, properly so called, of their own. They wished others to do it, and then, if the project failed, they did not incur the disgrace; while, if it succeeded, they took great credit for their own sagacity. ("Hear, hear," and a laugh.) But this was a policy—if policy it might be called—which only the very weak would hold, and which could not, in the long run, be advantageous; and only the very foolish would suppose

that a scheme like this was not as evident to other people as to themselves; he had that very day read a reference to the "British annexations *through* Cashmere" in a Russian book; thus it was that the whole plans of the Indian Government were known and canvassed, and it was of no use for the Foreign Office at Calcutta to attempt to conceal it; yet nothing is more certain than that if we do not meet our adversaries with the strength derived from full information, we shall simply be the sufferers; for no policy conceived in weakness can be expected to bring about the results which strength alone can achieve. At present our policy might be described as one of masterly inactivity, tempered by occasional bribes, and such a "policy" could be expected to effect nothing. He need not say he thought it eminently necessary that there should be a policy of some kind, and not an apology or a pretence for one; nor need he enforce his conviction that whatever is undertaken by the Indian Government should be done well and thoroughly. (Hear, hear.) But this, he regretted to say, was very far from being the case at present. (Hear, hear.) If government meant the carrying out of a set of principles, then there was no government at all in India, nor had there been within his recollection. (Laughter and "Hear, hear.") Sudden changes depending upon personal influence or upon the caprice of the moment, or for any or no reasons—the drifting into this or that channel by the faulty apprehension, or the more faulty rejection of newspaper information—a "policy" which, lasting one day, was reversed the next,—all this could not truly be called a government; and hence he contended that there was no government in India at all. (Hear, hear.) Happily, the results which would naturally follow such courses were not so grievous as they might have been; happily, there have always been in India a number of men who were imbued with some notions of fair play and with gentlemanly feeling, and these, ruling the most docile and meek of the races of the world by the fact of their superior energy, perhaps, succeeded tolerably well. With regard to the Afghan succession, they had heard a great deal "round about" it, but very little of the thing itself. "The law of succession" had been spoken of as if it was something which had been reverentially obeyed time out of mind; yet how often was it really observed even in Turkey? To know what the succession in Cabul is to be, they would have to be acquainted with, and must be able to analyze thoroughly, the pretensions of each claimant. With the preface that, although an official himself, he had no blind admiration for official views, Dr. Leitner then minutely examined the claims of the several pretenders, and concluded by expressing his conviction that Abdoolah Jan, supported as he was by the reigning power in the harem of Sher Ali Khan, would

have a very good chance if the present Ameer lives long enough to allow Abdoolah Jan to reach manhood. Yacoob Khan is, no doubt, courageous enough to fight and hypocritical enough to get on *now*; and his late reconciliation with his father, though possibly induced by an apprehension of ultimate defeat, or the knowledge that his cause was lost, doubtless had some part of its origin in filial feeling. The *bona fides* on either side might or might not exist, but the probabilities were that for the time the reconciliation was sincere. Something had been said of the treachery of the Afghans, but it should be remembered that circumstances make men what they are; and if we are the slaves of association here, how much more likely is it to be the case with the Afghan, whose surroundings have been of a far more demoralizing nature than our own! But the question of comparative ethnic morality is one that amplifies itself so much in examination that he would not venture to trespass further upon the consideration of the meeting. He must say, however, that to one thing in Major Bell's paper he had the strongest objection, and that was the proposition to hand over to the tender mercies of the Afghans a number of independent populations, some of which were working out their own civilization in their own way. (Hear, hear.) What are these people whom Major Bell proposes to sacrifice? Some of them are the Kafir tribes, who have valiantly defended their liberties against invaders through all ages—Tamarlane, Baber, and all the rest—and who only wish to be let alone. Dr. Leitner here pointed out that the Indian Government had, in pursuance of its "policy," or rather, simply from not knowing what was taking place, allowed the Maharajah of Cashmere to annex and overrun the Yassen district, and slaughter a large number of its inhabitants—the *present* excuse and after-thought being to allow, as he had before explained, the Ameer of Cabul and the Rajah of Cashmere to approach their respective territories, and thus increase the strength of the "neutral zone." This wretched policy was, he would repeat, of no use, either as blinding our foes or as advancing our own interests. We require of the Ameer that he should keep his own side of the Khyber Pass in order—a task utterly impossible in view of the fact that even within five miles of Cabul itself there are chiefs who defy the authority of Sher Ali Khan, and there are many parts of Cabul itself where it is unsafe to move without an escort. The Indian Government have given the Ameer large subsidies and a goodly number of Sniders; and as regards the money, Major Bell was quite right in assuming that he has kept it for himself; whilst, as regards the Sniders, it was very doubtful whether they were used at all, except, perhaps, by the Ameer's body-guard.

After expressing an opinion that a great political mistake had been made in saddling Afghanistan with Badakhshan, Dr. Leitner concluded his speech by saying that, with all respect and admiration for the manner in which Major Bell had stated his argument, he must continue to deprecate in the strongest possible way the cession of any territory, for it would lay the British Government open to humiliating assumptions, and would give to the Ameer more than he could manage. (Hear, hear.) In conclusion, whilst it is impolitic, if not absurd, to give away what does *not* belong to us—viz., any portion of the neutral zone—it would be wrong to hand our own subjects over to the worse rule of the Ameer of Cabul, and to retire from Peshawur seemed tantamount to giving the signal for another rebellion.

Mr. FRAMJEE R. VICAJEE said that, with great deference to the opinions of so able a man as Major Bell, he must express his entire dissent from the conclusions advanced in the paper which he had just read. The question he had raised was one of the utmost importance to all who live under the Government of India, and the cession of the Trans-Indus Provinces was a measure which would most materially affect the whole country. The reasons urged by Major Bell for the adoption of his suggestion might thus be summarized: first, that it will put an end to the series of raids and robberies which are committed by the predatory tribes on the frontier of Afghanistan, and which give rise to retaliatory wars on the part of the Indian Government; secondly, that the new State of Afghanistan thus enlarged will form a formidable break-water to any tide of conquest which may arise to enter India; thirdly, that the want of back-bone which now exists in the Anglo-Indian policy will be supplied by the cession of this territory; and fourthly, that it will place on a safer footing than is now the case the future succession to the throne of Afghanistan. Some of these deductions had been ably opposed by previous speakers, and therefore he would not enlarge upon them. He did not agree that the transfer of the Trans-Indus Provinces to Afghanistan would in any way put a stop to the raids and robberies which are now committed on the frontier; for to suppose that, would be to forget altogether the character of the Afghans. That character is one of turbulence and treachery,—at least, such is the conclusion at which most observers have arrived. Moreover, the present state of the Afghans is partly agricultural and partly nomadic, and to expect a state of perfect peace in such a community is to await the work of several centuries. As to the alleged want of a settled policy in our international relations with Afghanistan, he confessed that he was not very well posted in all the reasons which led to the conclusion of the various treaties from time to time, and therefore he would not

attempt to justify them; nevertheless it required no great insight into diplomacy to see that the great result of these treaties is that the Indian Government are now masters of Peshawur. Major Bell had said that the position we are now holding beyond the Indus is, from a military point of view, one of weakness and danger, and, more than all, a grievous burden to the Indian Exchequer. If it were to be admitted that our present position is one of weakness, it would be for Major Bell to show that the accession of strength did not lie in the direction of advancing rather than of retracing our steps; but the gallant Major seemed almost to ignore that part of the question. Rather than cede these Trans-Indus Provinces, which had been bought with so much blood and treasure, it was a question whether they would not strengthen their position by planting their outposts further westward. (Hear, hear.) If it be admitted that, from a financial point of view, the guarding of that frontier is one of great cost, it by no means follows that the position should be abandoned. Enormous sums are spent by the English Parliament, and willingly acquiesced in by the nation, in maintaining in a condition of efficiency a powerful fleet for the protection of the British Islands from invasion, and the cost is cheerfully borne because it is felt to be a necessity. The guarding of the North-western frontier of India was exactly analogous; all were interested in its maintenance as a security from attack, and although the amount spent on this one district might seem disproportionately large, yet it is perfectly justifiable in view of the fact that all India is interested in the maintenance of the troops in that position for the protection of the whole people. (Hear, hear.)

Major EVANS BELL, in replying to the observations of previous speakers, remarked that as the hour was very late, he would not venture to analyze them at length. He felt deeply indebted to Dr. Leitner—and he was sure the meeting would share the feeling—for the valuable contribution he had made to the solution of the question by suggestions drawn from his almost unrivalled local experience; and great hesitation must be felt in opposing anything which that learned gentleman advanced. He was glad that Dr. Leitner did not—as one gentleman had done—apply the sweeping epithet of “turbulent and treacherous” to the Afghans as a race. The fact was that there is no such thing as turbulent and treacherous race. There is one race—the human race—and turbulence and treachery are merely phenomena that appear in every tribe and nation in the earlier phases of its civilization. However, he would presume to say that Dr. Leitner had spoken too hopelessly of the possibility of a law of succession being observed in Afghanistan. The succession of the Osmanli family in Turkey had gone

on according to law for 300 years, and it was only lately that anything had been heard of a Sultan contemplating the attempt to change the order. Dr. Leitner appeared also to think that an increase of Sher Ali Khan's territories would give him a corresponding increase of power in oppression which he would not scruple to exercise. He must deny that assumption entirely, for the cession of the territory would be made on our own conditions, and those conditions would increase our power with the Ameer, which would be sufficient to curb any sign of oppression; and therefore, although he objected to the Ameer of Cabul and the Rajah of Cashmere seeking increase of territory beyond British bounds, he did not feel the same objection to their increasing the territory they held within the limits of legitimate British influence.

Mr. NOWROZJEE FURDOONJEE, in proposing a vote of thanks to Major Evans Bell for his able and interesting address, said the gallant officer had treated this most important subject with the skill its gravity demanded. It was a topic of vital and imperial interest, and the discussion would perhaps induce statesmen to bestow thought upon it, and it might be that a satisfactory solution of the difficulty would thus be discovered. He believed that a successful solution of the problem was possible, although on former occasions the British interposition in Afghan affairs had been attended with disastrous consequences.

His Highness Prince ISKANDAR AHMED KHAN BARIK-ZEY said that as he was an Afghan, and the question which they had been discussing was the succession to the throne of his country, he thought it his duty, even at that late hour, to explain some points which seemed to need clearing up. In attempting this, he would ask the forbearance of his hearers, as he was not sufficiently acquainted with the English language to speak with fluency. Now, on the point raised of the succession of the sons of Sher Ali Khan, the meeting was aware that every country has its own laws and customs regarding succession to the throne. For instance, in Europe the eldest son of the reigning monarch is held to be the legitimate heir to the throne; in Turkey the eldest member of the reigning family is the heir; but in Afghanistan it is the son of the mother who stands highest in rank, no matter whether he be eldest or youngest born of the Ameer. Seeing that every Mussulman is allowed four wives, it may easily happen that the first wife may not be of so good a family as either one of the others, yet the husband may have issue from all, and consequently the children of the first and second wives may be older than those of the third and fourth. But the Ameer generally elects his heir from the wife of the most noble family. For that reason he thought the Ameer Sher Ali Khan was quite right in the choice he has made—viz., his youngest son, Abdoolah Jan, whose mother

is the daughter of Sirdar Ameer Afzul Khan, the cousin of Ameer Sher Ali Khan, and the eldest of all the present Royal Family. The mother-in-law of Sher Ali Khan is the niece of Ameer Dost Mohammed Khan. Sher Ali Khan has done only just what his father did, for the Ameer Dost Mohammed Khan appointed his son, Sirdar Ghoolam Hyder Khan, his heir, and after his death, Sher Ali Khan; while he had other three sons older than both of these, but these latter being from mothers of lower caste, they were excluded from the succession. He therefore strongly urged that it was not right to accuse Sher Ali Khan of having done wrong in the appointment he has made. Would it not be better for the English Government to forbear any interference between the Ameer and his choice of successors, and maintain those friendly relations that have existed, waiting the result of death, or other events, to see whether the heir will have sufficient weight, by age and capacity to govern, to maintain himself on the throne? The eldest son of the Ameer—Yacoub Khan—has for his mother the daughter of Saadut Khan, of Lalpoora, and the sister of that Norose Khan by whose instigation Major Macdonald was killed near Pshur. Yacoub Khan, after being once forgiven for absconding from the capital and beguiling many chieftains to accompany him to an unsuccessful attack on the town of Candahar, went to another town, Herat, and took it, causing thereby the death of the most devoted Sirdar Fateh Mohammed Khan, the son of the well-known Akbar Khan, and his son; and Yacoub Khan still remains the direst rebel to his father. Moreover, while taking Herat, he accused his father of incredulity and infidelity towards his own secluded semi-fanatic followers, on the ground that he was in friendship with England, and thereby was gaining partizans to his impious career. With regard to the suggestion that Sher Ali Khan is not able to keep the Khyber Pass free and quiet for all comers, it is quite impossible for him or the English Government to do so; because one end of the pass is in one jurisdiction, and the other in another, and consequently when marauding Khyberees have robbed and murdered at one end, they at once fly to the other; and so on interchanging. If, then, the British Government, with all its wealth and prowess, is incapable of maintaining order, how can it be expected that a smaller state can do it? And how much greater must the difficulty be when the ruler is not allowed to subdue the neutral tribes existing between Afghanistan and the English dominions! As to "conquering" Afghanistan—as is currently suggested in the English press—he thought, firstly, that it might be found that conquering Afghanistan might not prove to be so easy a task as some seemed to suppose; and, secondly, he was curious to know, supposing Afghanistan conquered, who would retain possession of it? If the British Govern-

ment kept an army there, it would cost them twenty times more than Afghanistan is worth, and there would be endless warfare of the most vexatious kind. Hence the proposal to occupy Afghanistan in order to meet the Russian advance on India he deemed impracticable, and, even if practicable, it would be unwise; because there would not be sufficient time to secure the friendship and alliance of the Afghans, or to calm the natural animosity and resentment they would feel; and in such a case, should the British Government come in contact with an invading enemy, no certainty could be given that the Afghans would not at once seize the opportunity to revolt. (Applause.)

Dr. LEITNER, in seconding the vote of thanks to Major Bell, remarked that the thanks of the meeting were also due to the Prince Iskandar Khan for the explanations with which he had favoured them. (Hear, hear.)

A vote of thanks to the Chairman, moved by Mr. HURRYCHUND CHINTAMON, seconded by Captain PALMER, was passed unanimously, and having been acknowledged, the proceedings terminated.

*Our Indian Difficulties: The Way Out of Them; and a Few Words of Warning to Investors in Indian Funds and Railways.*

Paper by ROBERT H. ELLIOT, Esq.,

READ AT THE MEETING HELD AT THE WESTMINSTER PALACE HOTEL,  
FRIDAY EVENING, MAY 15, 1874.

E. B. EASTWICK, Esq., C.B., IN THE CHAIR.

A CONFERENCE of gentlemen, members of the East India Association, and others interested in the affairs of India, was held at the Westminster Palace Hotel, on Friday evening, May 15, 1874, under the presidency of E. B. Eastwick, Esq., C.B.; and amongst those present were Prince Iskandar Ali Khan, Sir George Douglas, M.P., Major-General W. F. Marriott, General Richardson, Col. French, Col. Briggs, Col. E. Hemery, Col. Daniel, Lieut.-Col. M'Mahon, Mr. Dickinson, Mr. J. T. Wood, Mr. William Dent, Mr. George Foggo, Mr. J. Ouchterlony, Mr. Juland Danvers, Mr. B. F. Hall, Mr. J. H. Lassalle, Mr. R. C. Bostock, Dr. Gillespie, Rev. J. Long, Mr. J. D. Macalister, Mr. W. Dunn, Captain Bridges, Mr. A. M. Bose, Mr. Nowrozjee Furdoonjee, Mr. C. Meenachaya, Mr. Venkatakrishnama Naidu, Mr. N. Subrahmanyam, Mr. P. Ratnavelu Chetti, Mr. Kulb Alli Khan, Mr. F. R. Vicajee, Mr. A. C. Mitra, Captain W. C. Palmer (Hon. Secretary), &c.

The CHAIRMAN, in opening the proceedings, observed that it might truly be said that there never was a time when this country was in so high a state of prosperity as at present; and it was devoutly to be wished that the same thing could be said of the country which would form the subject of consideration at the present meeting. Unfortunately, however, while they had in England the bright side of the picture, in India they had the very darkest side; in England it is feasting, in India it is famine. In the midst of our unparalleled prosperity at home, it was well not to forget the less fortunate circumstances of other parts of the empire; and he was glad to say he thought this was really being done in respect of India, for it was gratifying to know that the English people were manifesting a largely increased interest in the welfare and prosperity of that great dependency; and this was evidenced by the large subscriptions which they have been making to mitigate and relieve the Indian famine. The gentleman who would address them that evening (Mr. Elliot) had probably given his subscription to this fund, and he now purposed giving what, perhaps, would be the more valuable contribution of the two—viz., a contribution of ideas as to what should be done to benefit India in the future, to secure her against the recurrence of such calamities as those by which she is at present afflicted, and to remove the difficulties which are associated with the British government of the country. He believed the East India Association would cordially receive and appreciate Mr. Elliot's subscription, and it was to be hoped that the gentlemen present would subscribe their own ideas after the address had been delivered, in order to assist in solving the grave problem which had fallen to the lot of the English people—how to benefit India, to develop her resources, and to raise her to a condition of prosperity and content. (Hear.)

Mr. ELLIOT then proceeded to read the following address:—

Whoever wishes to make the slightest step towards enforcing the most important facts connected with India, must not only have, to use an Eastern saying, the perseverance of a crow, the endurance of a vulture, and the audacity of a woman, but should, in my humble opinion, endeavour, if possible, to follow that method of treatment which a careful judge employs when summing up a case into which many side issues, or much matter of secondary value, have been imported. You will remember, for instance, I may remark by way of illustration, how the Lord Chief Justice, when commencing to sum up the notorious Tichborne case, fixed the attention of the jury on the leading principle by which they should mainly be governed if they wished to form a sound conclusion as to the identification of one individual from another. Personal identity they were not to attach very much importance to, because one man had often been mistaken for another. Evidence of recollection he

also cautioned them against, because a man may easily learn particulars of the life of another, and even as regards very trivial circumstances. Finally, he fixed their attention on that grand difference between one man and another which can never lie—that mental difference which, more than anything else, distinguishes one man from another—the evidence as to Roger Tichborne's thoughts, feelings, and entire inner consciousness, as shown in his life, which life, with all its thoughts, feelings, and passions, he had left abundant evidence of in letters written, in the full confidence of his heart, to at least two of his correspondents. And so, in looking attentively on India, with the view of seeing our way out of the difficulties that arise out of our connection with that vast region, we must search out, first of all, that leading fact which governs the entire subject, and having once found that grand principle, we must keep it firmly in view, and subordinate to it every other consideration which might tend to divert our attention.

And now, before stating what that leading principle is, let me briefly say what our Indian difficulties consist of, as it is of evident advantage to have them at the outset grouped clearly before the mind's eye.

Firstly, then, there is the fact that India, with all her people thrust on the soil for their sole means of support, is exactly in the position that Ireland was before the famine, and in the same position that Ireland would be now had she not had America to fall back on.

II. There is the poverty of the country, which is clearly shown from the fact that, from a population and area about equal to all the European countries, less Russia, there can, at the most, only be raised a revenue some twenty millions less than what, with her greatest ease, is raised in England alone.

III. You have the financial difficulties, which though no doubt largely increased by sheer waste and extravagance, have mainly arisen from the glaringly insane attempt to govern on English principles with the aid of Asiatic revenues.

IV. You have the political difficulties which arise from the fact that, from the proximity of Russia to our northern frontier, our hands would be seriously embarrassed in the event of our having any difficulty in Europe in which Russia was concerned.

V. There is the difficulty, that we all see must arise, of keeping up the supply of English soldiers for India, in consequence of high labour rates here, and the rapid extension of facilities for emigration to our numerous colonies.

VI. We have the difficulties that must arise from our having a population which, as the land becomes more and more sub-divided, and

the soil more and more exhausted, must become, relatively to their number, poorer and poorer.

VII. We have the difficulties that must arise from the fact that, while the leaders of these impoverished masses have no share of political power, they have caught from us that spirit of inquiry which has, of late years, vented itself against their ancient religion—a circumstance which any one acquainted with the most rudimentary historical facts must perceive to be the sure precursor of an inquiry into the justice of our governing India in the way we do at present.

VIII. We have the anxieties and political difficulties that naturally arise, not so much out of the fact that we have already allowed the Indian Government to incur liabilities to the amount of about 230,000,000*l.* sterling, as to the fact that all but a trifling per-centage of this sum is held by Englishmen, while the financial existence of the empire on which we have staked this huge sum depends on the fortuitous circumstance that we are still able to force opium on the Chinese.

IX. We have the fact that, with the exception of lands irrigated by muddy river water, the people of India, in consequence of the small manuring facilities at their command, are not living on the interest, but on the capital of the soil. And as the population increases, and the proportion of cattle to the cultivated land diminishes (which it must do as the pasture lands are encroached on), this is an evil which must necessarily become more and more aggravated as time advances.

Lastly, but by no means leastly, we have the fact that, judging from the experience of the past, we may reasonably expect a famine somewhere in India once every three years; and we have the certain fact that, as the population becomes, relatively to its numbers, poorer and poorer, each successive famine must be more costly than the last.

Such, then, gentlemen, are the leading difficulties that rise before us in quick succession as we survey the position with reference to India and our connection with that immense group of countries; and I need hardly say that to enter fully into a consideration of all these difficulties would require, not one short, but many long lectures. But it fortunately happens that the key to the first is also the key to all, or nearly all, the remaining difficulties; and so completely is that the case, that, when once that point is successfully attacked, you will have before you a clear view of the way—and, as far as I can see, the only way—in which the future government of India can be established on a firm foundation,—I mean the prosperity of the people.

And now for the careful consideration of this first point—this grand difficulty of providing for a population which, if our present policy remains unchanged, is destined soon to be far beyond the resources of the empire.

Some time ago, when I happened to meet an acquaintance who had been much in the East, our conversation naturally fell on our Indian difficulties, and, in especial, on the dangers certain to arise in these regions from over-population. My acquaintance being a man of a practical turn of mind, dismissed the whole subject thus: "The natural condition of India," he said, "is one of war, pestilence, and famine, and if you choose to take charge of a country like that, and interfere with the course of nature, you must take the consequences. You have put an end to war, introduced all sorts of means for arresting pestilence, and now," he plaintively added, "you are going to stop the effects of the famines." Here he paused, full of disgust with the country, and of melancholy forebodings as to its probable fate under our life-conserving rule. Let me go on for him, and point out that we have stopped Suttee, legalized the re-marriage of widows, forbidden infanticide, stopped human sacrifices, forbidden religious suicides, put an end to the Thugs, fallen with extraordinary vigour on tigers, wolves, and panthers, and now it seems that we are even going to turn our attention to those venomous snakes which, however objectionable in themselves, at least did what they could towards at once aiding to maintain the balance of nature and lightening the difficulties of our Indian rule. So that, if we except the loss of a few millions who have perished in famines within the last twelve years, we have preserved Hindus as carefully as a rich man preserves his pheasants; and the result of all this is that you have got a population in India aggregating, at the least, about 240,000,000, and which has, on high authority, been spoken of as 250,000,000, and in our own dominions we have a population of about 191,000,000, averaging upwards of 200 to the square mile. Now, this population has been so entirely thrown on the soil, that I find that in Bengal, according to the Inspector-General of Registration of that region, it is probable that only 5 per cent. of the adult males are employed as artisans, properly so called. The land, then, being the only resource of the people, it is important to inquire what it consists of, for it obviously conveys no information to say that the population is at so much to the square mile if a large undefined proportion of the country consists of uncultivable land. Now, it is a melancholy fact that, though it is 117 years since the battle of Plassey was fought, no one can tell you what Bengal consists of, and no one is therefore able to say what the natural increase on her 67,000,000 have to depend for their sustenance. And yet the officials of India have spent immense sums in collecting and printing statistics. They can tell you what the population amounts to, and the numbers that have died from famine throughout India within the last twelve years; they are buried to the ears amongst piles of *gaol* records, and can almost tell you exactly whenever

risen to upwards of 357,000,000. Now it is very important that we should, in forming an opinion as to whether India (considering that her population is all on the soil) is not already fully populated, take into consideration the habits of the people; for to any one who has lived amongst them it is perfectly evident that you will never hear much of over-population till you are overwhelmed by it. Were the habits of the people of India like those here, you would very soon be conscious of it; that you are not so, is owing to the fact that they can support life on the scantiest fare—that they divide and sub-divide the land, and support poor relatives, who in this country would be left to choke countless poor-houses. But to all this there must be an end, and, though you might be able to defer it for a short time by emigration to Burmah, an end that we ought, if we had full statistics, to be able to calculate with almost mathematical accuracy. You must, then, it is clear, if you wish to conduct your Indian affairs with ordinary prudence, anticipate these difficulties of over-population, and prepare now to provide some means of relief, either by emigration or by manufactures, which will partly supply occupation for the surplus population, but mainly do for India all that manufactures have done for England—viz., create that general purchasing power and that accumulated wealth out of which all things can be created that a nation needs. Now, the relief you can possibly look to from the former source is absolutely insignificant, and for reasons so obvious that I need not take up your time by entering into them. You are, therefore, thrown back almost entirely on manufactures; for, though at one time, and before the Bengal census was taken, I thought that we could, by irrigation, solve all our Indian difficulties, I now too plainly see that, from the stupendous number of her people, the prospects of their rapid increase, and from our having set out so late in the day towards doing something to provide for these gigantic masses, from the slow rate at which irrigation must progress, and the numerous difficulties that in Northern India have been recently brought to light regarding it—the difficulties arising from that saline efflorescence which, by producing sterility in the soil, renders irrigation worse than useless; the expense of the drainage necessary to neutralize these effects—the difficulties, again, that this would bring about by causing destructive floods; the very serious and hitherto almost unnoticed evils that arise from the puddling of the soil under certain conditions too lengthy to enter into here; the evils, again, that this entails on the climate; and, far above all, the political dangers that would arise from our adding to our already enormous Indian liabilities;—I now too plainly see, from all these considerations, that however much we may reasonably be expected to do in the way of irrigation, and

however much we might have effected with it had we handed the country over to Sir Arthur Cotton in good time, and spent on irrigation and canals three-fourths of what we have spent on railways, we cannot now look to it for affording more than a certain degree of mitigation to the numerous difficulties we have to contend with. So that we are thrown back on the well-known truism—namely, that in any agricultural country which is fully populated, or where the population is of such dimensions that there is a prospect of its soon overrunning the resources of the soil, you must either emigrate or manufacture; and as in India you cannot look to emigration, you must either manufacture or drift on to a period when, from sheer over-population and the cost of frequent famines, it will be impossible for us to carry on the administration of the country. This, then, is the grand fact which, in all our speculations as regards these vast masses of pauper peasants, you must never for one moment lose sight of, and to which everything must be distinctly subordinated. This grand leading point having been clearly established, let me now proceed to show how alone manufactures can be introduced into India.

Briefly, then, there is only one way, and that is, to compel your Manchester men to send some of their capital and younger sons to India, to do there what younger sons have done in our numerous colonies; to compel, in short, your Manchester men to employ some of their capital in India by the simple process of imposing a gradually (I say gradually, because nothing can be more obviously mischievous than sudden changes in such matters) increasing import duty on Manchester goods, with the distinctly declared intention of raising it ultimately to a prohibitive tariff, to the end that India may not only be turned into a manufacturing country for itself, but, in a great measure, for all Asia and Eastern Africa. At first sight, this may seem a startling idea, but do not reject it because it is apparently novel, for observe how the idea of providing for a population by manufactures comprises that simplicity of conception and universality of application which is recognized as an axiom amongst scientific speculators. Do not, I repeat, reject it because it is novel, for observe what grand political and social results would necessarily arise out of the establishment of little Anglo-led manufacturing colonies. Look at the geographical position of India. It lies projected, like a gigantic wedge driven into the most central point of the Eastern seas. Imagine British trade and manufactures—English manufactures with English capital—firmly planted on that vast central peninsula, and is it not evident to any one that we should then command the Eastern as completely as we now do the Western Hemisphere? How often has Manchester capital and energy sought a wider field! Here at last, if we could only educate her into seeing it, it lies clearly before her, and

to an extent exceeding the wildest dreams of the possible. But this is far from being all. Glance for one moment at the political and financial results that would arise from the establishment of these little colonies—the identity of interest between us and the Natives, and that real intercourse so much to be wished for; the increase of contentment, the decrease of armies, the increase of everything that is included in the word civilization, of everything that can decrease the anxieties and add to the comforts of life. But before continuing to enlarge on the numerous advantages that crowd before the mind's eye, it may be as well to point out the practicability of the whole scheme.

And here it is fortunate that I shall neither have to take up much of your time, nor speculate on remote contingencies; for not only have the capabilities of the country for mill-work been already proved by the success of the existing mills, but we are able to point readily to numerous spots where cotton and endless water-power can be found within easy reach of each other. To enumerate all those spots would be entirely unnecessary, but I feel sure that I shall not be unduly trespassing on your patience if I briefly enumerate the watercourses which, from the anicuts or weirs scattered over them, have water-power quite ready to be applied to mills without any expense to signify. In the south, then, there are the Colleroon and the Cauvery rivers; further north, the Kistna and Godavery Deltas; the Mahanuddee, Braminy, Byturnee, Soobanreeka, Cossye; the Jour, the Grand Ganges, the Lower Ganges, and the Agra Canals, the East and West Jumna, the Poorna works, the Ravee (in the Punjaub), and the Sirhind, and numerous smaller works; while the celebrated Hingunghaut cotton could easily be brought down the Godavery and spun at the Barriers, and, when the navigation of that river is completed, could as easily be conveyed to the coast at a very small expense. Another spot, I may also mention, is the well-known Gairsoppa Falls, where there is unlimited water-power, though there would be some expense in diverting it. Of water-power, then, there is no end; labour is abundant; and European skill and energy, accompanied with an active demand, will soon improve the general average of Indian cotton up to a standard high enough for any kind of mill-work.

Let me now turn your attention for a few minutes to a brief consideration of some of the social and political advantages that would necessarily arise if we once turned India into a manufacturing and manufacture-exporting country.

Some little time back, a Native of India—who had just been delivering a lecture on “The Personal Bearing of Europeans towards Natives,” in which he showed, and proposed means for legally redressing, a

number of the evils that naturally arose out of the situation in India—asked me what I thought of his lecture. “Mr. Nowrozjee,” I replied, “we English are a practical nation, and the great thing to be done is to fill the people’s stomachs as full as ever you can, and never you mind the rest. If you can fill the stomachs of the people, they can easily put up, as we ourselves have done, with all sorts of unjust laws and regulations; if you cannot, you will be little the better for all the laws and regulations that might be showered down from heaven.” Now, observe that these little manufacturing centres will not only fill the belly, but will tend to remove, or reduce to a minimum, all those social evils and those bars to intercourse which at present exist. By your cotton manufactures you will employ a considerable number of the people, while your example will improve their energy and general capabilities. With these cotton mills will arise works for the supply and repair of machinery; from the wealth arising therefrom, you will be able, by borrowing in the country itself or through non-guaranteed companies, to extend that canal and railway system which, with the aid of a strong purchasing power in the people, will lift you clean out of the reach of famines, and, in short, do all those things for India that manufactures have done for England. And now let us see how this method of filling the stomachs of the people will meet those social and political difficulties so justly complained of by Mr. Nowrozjee in that lecture of his I have alluded to; I mean those difficulties that arise from the fact that, in consequence of there being small necessity for intercourse between us and the people, they do not know enough about us, and we do not know enough about them; difficulties which, mainly from the nearness of England to India, far from having a tendency to lessen, have an evident tendency to increase. Now, nothing could be more valuable for us and them than something that would remove the want of a common understanding; and it seems hardly too much to say that you can look for no genuine and lasting social and political progress in India till the interests of the Natives and the English out there are rendered distinctly identical. How comes it, let me ask, that you will always hear the Natives speak well of our merchants? The fact simply is, that buyer and seller usually like to keep on good terms with each other, and you have, therefore, the intercourse that leads to good-will. Or, to take another instance, on which I am very competent to speak, let us look at the relations between the Natives and the planters of Mysore, whose land is for the most part surrounded by villages. Exceptions there were, of course; but we had a natural wish to be on good terms with our neighbours, and they, for many reasons, liked to be on good terms with us. We saw a great deal of one another at work, out shooting, and in a

variety of ways. And what was the result? Well, for my part, I can say that I can look back upon my intercourse with the people as one of the pleasantest and most gratifying circumstances in my life, and, if I were not afraid of taking up too much of your time, I could give you numerous instances of the good-will and friendliness of the people towards myself and my planting neighbours, which would show you unmistakably that there is no obstacle to our getting on perfectly well with the people of India, if only we had more extended opportunities of intercourse. Now, what merchants and planters have done in a small way cotton manufacturers will be able to do in a much larger way. They will have a natural interest in being on friendly terms with the people, and the enormous political results that will follow require only to be alluded to to come home to every one's imagination. To go, of course, into all the probable results—as, for instance, the spread, not of those evidences of our civilization which we have been endeavouring to plaster on from without, but a self-reliant civilization rising from within, the march in the direction towards representative institutions, for the simple reason that Anglo-Saxons will not long remain without them, the probable spread of our religion amongst all the lower non-Mussulman classes in India, and the many other points that rise rapidly before us—would take up too much of our time. But there are two results it is impossible to avoid alluding to at greater length. I mean, firstly, the political result that would accrue to us in Europe in any quarrel in which Russia might be concerned; secondly, the grand financial result that would follow from the fact that, if we really content the people of India, we may do with far fewer English troops.

As to the first point, we are all aware that Russia has taken up a position on our northern frontier which has had the effect of bringing India distinctly within the range of European politics. Some people dread her arrival there, and are called Russophobists, while others welcome her approach, as the arrival of a European Government generally means all that passes under the name of civilization.

Now, there cannot be the slightest doubt that, as things stand at present, and supposing that there is to be no change in our general policy in India, the Russophobist party, as they are called, are perfectly right. I do not for one moment venture to conjecture what would happen in India in the event of a Russian demonstration on our northern frontier, nor, indeed, is it necessary for my purpose to suppose that a Russian attack on India would meet with the smallest chance of success. It is quite sufficient to point to this evident fact—namely, that if we ventured to fire a shot at the Russians in any European quarrel, we, instead of being able to send troops to Europe as we did in the Crimean War,

would rather require to send fresh troops to India. In any case, it is perfectly certain that, by menacing our northern frontier, and making even the show of a descent on India, they could put us to such an immense expense as would seriously embarrass the finances of our Eastern Empire. Supposing, then, as I did just now, that our general policy is to remain unchanged, there cannot be the slightest doubt that our military position in Europe and our general prospects in India are enormously affected by the approach of the Russians. On the other hand, if by the aid of manufactures we choose to tether the people of India by the teeth, and show the better classes that we are leading them on towards a high state of prosperity, we may not only laugh at the Russians, but heartily welcome the progress of their rule throughout Central Asia.

And now for a few remarks on the second point—the financial relief that would accrue to Indian revenues from the employment of the people in manufactures. Let me tell you a story. In 1715 a number of the people of Kilmarnock joined the Pretender; in 1745 his son could not get a man from that part of Ayrshire, and for the simple reason that, since his father's attempt, the people had taken to making night-caps. Now, that is a very good illustration of the fact that people who are occupied in any thriving trade are not fond of fighting; or, if they do fight, it will more probably be, not to strive with a strong, but to trample on some very feeble people. For, look how trade has tamed our old British pride—how we weakly yield to America, and allow ourselves to be baulked by Russia, and are reduced to content ourselves with keeping up some delusions of glory by rushing occasionally into contests with slug-armed savages, and showering on the conquerors of the humblest curs in creation those high military honours which, in days gone by, were reserved for the victors in some more noble strife. But I need not continue to slay the slain; the conclusion is obvious. Occupy the people with thriving manufactures, and you will arrive at the grand financial result of being able to do away with a large proportion of that army which, I need hardly remind you, weighs so heavily on the finances of India.

And now for some concluding remarks. If it is true, or even approximately so, that the available lands of India may be taken at half of its entire area; that the population is, practically speaking, about 400 to the square mile, and is increasing at a rate equal to that of any European country; and if it is also a fact that the people are so poor that, from sheer want of adequate purchasing power, they are liable to famine, we may almost say, at any moment,—then it is quite evident that this glorious Indian Empire of ours, this most brilliant jewel in the British crown, is, in reality, the Ireland of 1846 multiplied by about thirty,

and without an America to fall back on. In a word, it is evident that our Indian Empire contains all the elements of decay; and that this decay must soon come to a head is too painfully apparent. How alone we can arrest it I have shown; whether it will pay to arrest it is a matter for the British nation to determine. But do not let us drift on in a state of uncertainty any longer. Make up your mind one way or the other, for there is no middle course that any one can suggest. You are bound to one of these two lines of policy: you should either resolve to spend not a shilling more in the country than you can help, and do what little may be possible towards paying off debt with the view of being able to retire with the least possible loss when you are no longer able to pay your way, or you must provide for the people with the aid of manufactures, and in the way I have pointed out. And, when making up your mind as to her whole case, do not for one moment lose sight of that grand fact I have insisted on at the commencement of this lecture—the fact that, in any fully populated country where you cannot emigrate, you must either manufacture or drive on into the midst of the most awful calamities.

Suffer me, in conclusion, to offer a few remarks on our Indian debt, and a few words of warning to those who have blindly put faith in Indian securities—remarks which, I trust, will tend to strengthen the cogency of my arguments in favour of starting manufactures in India. What then, let me ask, if we go on in our present groove, is to become of these huge Indian liabilities, which already amount to the enormous sum of about 230,000,000*l.*? And the dangers connected with these liabilities, remember, are not only likely to lead to large money loss, but to serious internal discord here. The determination of the Chinese to protect their home-grown opium—and a determination, remember, that may any day be carried into effect—would simply mean bankruptcy. Now, we have it inferentially declared, from the fact of a British guarantee being distinctly refused for the last loan, that there is no such thing as an Imperial guarantee for any portion of our Indian liabilities. It is, of course, extremely comfortable to suppose that if the worst came to the worst, England would pay; but supposing things went wrong in India, the lower and middle classes would simply turn round and say, “You people of the upper classes have dug this pit for yourselves, and you must take the consequences. We have never been consulted about this debt, and we know nothing whatever about it. You have been plainly told that there is no Imperial guarantee, and we are no more responsible to you than we are to the holders of Turkish or Spanish bonds. If there is an available balance after paying for the necessary expenses of the Indian administration, you shall have your interest; but if the country falls short

“from famines, or war, or the failure of opium, we are, of course, extremely sorry, but cannot help you. You have had a higher rate of interest than you could have got in the English funds, and you chose to accept it as sufficiently high to cover the risks you incurred, and if you have under-estimated the risks, it is your own fault, and you must make the best of it you can.” That, I am quite sure, would be the view taken by the middle and lower class voters, and probably by the whole mass of non-share and fund-holders. For, though it may be alleged that the investors in Indian securities have been lured into believing that if things went wrong England would come to the rescue, and lured into the belief by men in high office—by Sir Robert Peel in his speech of 1842; by Mr. Bright, who quoted his opinions without one word of dissent; by Sir Charles Wood (Lord Halifax), in 1859, who said that “if we take away Indian revenues, we incur not merely a moral, but a positive liability;” by Lord Stanley, on the same occasion, who asked whether “it would be morally possible for this country to repudiate the Indian debt without shaking its own credit;” and, finally, by Lord Salisbury, who is reported to have said, only the other day, that he thought “the question of a guarantee was a question rather of words, because he had never been able to contemplate a state of things in which the credit of England could exist after the debt of India was repudiated;”—though all these things may be alleged, the general public would simply respond by the argument *caveat emptor*, and disclaim all responsibility for the vague and unsanctioned assurances which successive statesmen have taken upon themselves to utter in the Houses of Parliament. And if the fund-holders complain, further, that they have been encouraged to part with their money owing to the fact that trustees, without special direction, have been, by Act of Parliament, empowered to invest in Indian securities, the taxpayer here would equally decline to be bound because people had chosen to construe the Act in question into an actual responsibility on the part of the British nation. Now, all these considerations, accompanied by a careful estimate of the entire situation, surely justify us in coming to the conclusion that it is a serious question for trustees and people of small means whether they should not avoid Indian investments. As a trustee, I have felt it to be my duty to recommend that money should not be invested in Indian securities, and I know men of long experience who are quietly getting their money into safer quarters. One thing is certain, and that is, that no one, after the refusal of an Imperial guarantee for the last loan, can plead ignorance as to the revenues of India being the sole security for her liabilities; and it is equally certain that if further loans are made to India, the risks of the existing holders will be

enormously increased, and their property eventually depreciated in value. The holders of Indian securities should, therefore, at once endeavour to obtain an Imperial guarantee on the best terms they can, or endeavour to obtain the slight advantage of a preferential claim over subsequent creditors, or at least firmly resist all additions to the debt. And if an Imperial guarantee cannot be obtained, then I have no hesitation in saying that those who cannot afford to incur risks should invest in other quarters. Should, however, addition to debt be arrested, or a preferential guarantee obtained, it may, perhaps, be worth while for those who can afford to incur risks to consider that these are sufficiently covered by the higher rate of interest obtainable.

One word more. India, as held up to the British nation in the light it has been for years past—held up as a country financially sound—held up in Parliament by the late Government as a country with good credit, while her credit really consists in a firm belief that if things go wrong, England will pay,—is simply a piece of imposture only to be approached by the great Tichborne case. But that broke down at last, thank Heaven; and I do not yet despair that the greatest piece of imposture that was ever passed off on a credulous and ignorant nation will break down too. One thing is certain, and that is, that, assuming that there is to be no change in our general policy, whoever, with a full knowledge of the circumstances, or even with the knowledge that the financial existence of India depends on our being able to force opium on the Chinese.—whoever, with a full knowledge of that single fact, ventures to get up in Parliament or elsewhere, with the view of encouraging his countrymen either to slumber on in security or, what is worse, continue advancing gigantic sums of capital on the security of our rotten Indian revenues—whoever ventures to do that, will be wilfully and wickedly leading his countrymen into the greatest danger that can ever overtake the British nation.

And now, gentlemen, my lecture has come to an end; but I feel that I owe it you, and perhaps to myself also, to explain how it is that I feel myself justified in speaking so positively as to the condition and prospects of India, and I therefore trust you will suffer me to say yet a few words more. Some time ago, a Bombay merchant said to me, "Indian trade is very bad at present, and has been so for some time past." "I could have told you that," I replied, "and yet I do not know a single mercantile fact. India is agriculture, and agriculture is India. I have lived amongst the people almost as one of themselves, tilled the soil on a large scale, and from a complete knowledge of their circumstances, and of the agricultural difficulties they have to contend with, and of the difficulty that even European skill and capital finds in

"adequately maintaining the fertility of the soil, know exactly how poor the capabilities of the country really are." "Then, your point is," he said, "that nothing can be got out of nothing." "That's exactly it," I answered, and so our conversation terminated. It was this complete knowledge of the circumstances and condition of the country and the people that enabled me to give, as I did in my "Experiences of a Planter," some years ago, the exact reasons why famines were to be looked forward to as a matter of certainty, and why, therefore, Government should take, long beforehand, the most careful precautions to avert the effects of dearth. It is this knowledge that, in conjunction with a careful study of information derived from many and various sources, enables me now to say with confidence that, if we continue to pursue our present policy, and do not establish manufactures to provide for the rapidly increasing population, we shall be bringing down upon ourselves an amount of loss, anxiety, and internal discord here, which will probably far exceed the anticipations of the gloomiest pessimist that was ever heard of since the world began.

Major-General MARRIOTT said that so many points had been raised by Mr. Elliot in his address that to consider them all would occupy far more time than he could venture to take, and he would, therefore, confine his remarks to the remedy which the lecturer proposed to meet the evils which he alleged were in existence in India. He would not discuss how far these evils had a real existence—he would merely say, *en passant*, that he thought Mr. Elliot had greatly exaggerated them—(hear, hear)—but, for the sake of argument, he would admit that these evils really existed. Now he was compelled to confess that he failed to appreciate the merit of the remedy Mr. Elliot proposed, and it would, perhaps, have been better had the lecturer occupied a portion of his address with an explanation in detail of his scheme for the encouragement of manufactures in India. If Mr. Elliot had taken some time to show how his suggestions were to operate, it would have been much more useful than the introduction of a variety of questionable statements—such, for instance, as the affection which English manufacturers would beget amongst the people to the British rule. ("Hear, hear," and a laugh.) Mr. Elliot had supported this theory by a reference to his experience as a planter in Mysore, but there were gentlemen present whose experience had been far less pleasant than Mr. Elliot's would appear to have been. (Hear, hear.) He entirely concurred in the lecturer's view that it would be a highly beneficial thing to bring English capital and enterprise into India, but he questioned very much the utility of the means which had been proposed to bring about this most desirable con-

summation. We are, Mr. Elliot says, "to compel Manchester merchants to send their capital and their sons" to India, to set up manufactures there; and the means by which this is to be effected are "to impose a gradually increasing import duty on articles of English manufacture." The strongest expressions were used as to the wealth-producing consequences to India of such a course. Well, all he could say was, that he would like some elementary information explaining how this was to make India more wealthy. (Hear, hear.) He knew of no way, unless the people of India could manufacture their articles for themselves at a cheaper rate than Manchester could supply them. If this could be done, then no protective duty was called for; and, on the other hand, if it could not be done, the result of Mr. Elliot's protective system would be that the people would have to pay a higher price for their articles; and he failed to see how this could make the people rich. Where was Mr. Elliot's proof that the protective duty would not ultimately be paid by the consumer? (Hear, hear.) If the Manchester manufacturer is to be prevented from under-selling the Indian manufacturer by means of an import duty, it was as clear as day that the buyer would have to pay a higher price. (Hear, hear.) Mr. Elliot went on to speak of India exporting manufactures, and doubtless this would be very fine if India could do so; but did any one really suppose that India could compete with England in the open market for the commerce of the world? He freely confessed his entire inability to conceive the idea of whence this wealth was to come which the lecturer had prognosticated, although he repeated his firm belief that if means could be found for the introduction of English capital into India, it would be of very great benefit to the latter country. But what is to "compel" the "Manchester men" to do this? There is only one way, and that is to show the "Manchester men" that they will make a larger profit than if they spend their money at home. (Hear, hear.) But he would not occupy the meeting any longer by comments on a proposal which he did not understand, and which the lecturer himself had not explained.

Dr. BURN said he had listened with great pleasure to the lecture, and the points raised by Mr. Elliot were of vital interest and of the highest importance to all who feel an interest in India. The questions raised, however, were so numerous that it would be utterly impossible to comment upon them all, and he would, therefore, merely offer a few general remarks. The principal fact brought out by Mr. Elliot was that India is falling off as a producing country, or that the resources of the country, if not absolutely declining, had ceased to develop. The revenue of India was certainly falling off, and generally he shared the views of Mr. Elliot on this point, although he did not take quite such a gloomy view as Mr.

Elliot appeared to do with regard to the capabilities and working powers of the people of India. It was, no doubt, quite true that its resources were at present almost entirely derived from agriculture, but nothing was clearer than that the quantity of rice, opium, and other Indian agricultural products might be very largely increased; and, above and beyond all these, the agricultural capabilities of India might be enormously increased, and her prosperity advanced in proportion, by the cultivation of other products of the soil, which, if not indigenous to the country might easily be acclimatized. One of these would be of immense value to England—viz., wheat. At present England pays something like 13,000,000*l.*, or more per annum, for corn supplied by the United States, Russia, and other foreign countries, while her own dependency, India, is capable of growing wheat in nearly every part, from Cape Comorin to the Himalayas. Why not turn the attention of agriculturists to such an important fact as this? It was true that here and there Natives, under European direction, were doing something in the way of cultivating wheat, but it was in such a small way that many years would elapse before operations of any magnitude could be developed. It was many years ago since he ascertained by practical experiment the value of the suggestion that India could be made a wheat-producing country, for he had raised a highly successful crop, which he shipped to Liverpool, where it fetched a higher price than English wheat, and a price equal to the best Cape wheat. He had done this when the corn needed to be sent round the Cape; whereas, now that the Suez Canal was available, the export of wheat from India was made still more feasible. A great argument against the consignment of wheat from India to England used to be that in the course of the voyage the weevil destroyed the cargo, but he had pointed out a means by which the ravages of this insect might be prevented with facility. In the experimental cargo which he sent home no insect appeared, and the wheat was perfectly sound, and proved the complete success of his device. Even the saline nature of the soil, observable, as Mr. Elliot had pointed out, in many parts of India, would not militate against the growth of wheat, but would rather be in its favour, for land of this character, which had been altogether abandoned, could frequently be utilized for wheat. Only last year, foreseeing the approach of the present famine, he had embodied his views in a memorial to the Indian Government, and urged the cultivation of wheat; but, unfortunately, no notice was taken of it until some months had elapsed, and then only its receipt was formally acknowledged. In the inhabitants of India the British Government had the most peaceable and easily managed people on the face of the earth. No people more uncomplainingly submit to great hardships, or are more content to labour for a bare

subsistence in the way of food ; and yet, withal, they are quick-witted, and need only instruction to progress in various ways. They grow opium and indigo, but they are doing it under the direction of Europeans, and then they do it well. Why could not the same kind of instruction be given to them in the way of cultivating wheat ? The Civil Servants of the Crown in India are an able body of men, but it is a lamentable fact that hitherto they have not considered it within their duty to inquire into the condition of agriculture and the means of improving it, except in isolated instances. They collect the rents of the ryots, and it is nothing to them out of what crops the cultivator has contrived to raise his rent. In conclusion, Dr. Burn urged that an increased attention should be given by the Government to the development of agriculture on the basis he had indicated, in which case he was far from despairing that India would not raise itself from its present unprogressive state.

Mr. DICKINSON said he would only say a few words on the subject of discussion, as he thought General Marriott had misconceived Mr. Elliot's meaning on one important point. Mr. Elliot had urged that it would be of immense benefit to India to develop her manufactures, that it would bring wealth to the country, and at the same time sustain the revenue and provide for any over-population ; and the lecturer had used the phrase that the Manchester people should be "compelled to employ their capital in India:" meaning, "by the attraction of higher profits." Hardly any one in these days would deny that the development of manufacturing industries was an effectual method of sustaining a population, and of creating national wealth. It did not follow that a country should entirely depend on manufactures ; it might depend partly on manufactures and partly on agriculture ; but, at any rate, the former formed one of the great resources of a progressive country. Now in India it was a fact, which seemed to have been forgotten, that many important manufactures formerly were carried on with success ; and some of these were even exported to England. Such things as Madras sheetings and Dacca muslins were well-known articles of commerce, and the way in which those industries were destroyed was by a most cruel system of protective duties in the English manufacturers' interest. By means of duties at the ports and duties in transit, the native manufactures were utterly crushed out. It was quite true that since then English manufacturers had been able to work at a great deal cheaper rate, so that at this moment it would be more difficult for a native manufacturer to compete with them ; but a very slight difference would turn the scale. Only a few days ago a friend of his had received from mills in a native state cotton goods which were submitted to competent authorities in Man-

chester, and were pronounced to be durable and excellent work. It was clear to his mind that a slight protective duty would turn the scale in favour of the Indian manufacturer; and by this sort of "compulsion," by showing a profit on native manufactures, capital would be induced to flow into India not alone from Manchester, but from all parts of the world. With regard to the advantages of young Englishmen going out to India to overlook the native manufactories, he had a conviction of them, because, so far as his recollection served him, he had never known any Indian product brought into the English market, in successful competition with the products of other countries, unless it had been grown and prepared under the superintendence of Englishmen. (Hear.) Opium, silk, indigo, tea, when they succeeded in the English market, did so owing to the enterprise of English planters and English superintendents, and English capital flowed into those industries quite naturally, because in them profits could be made. His own impression was that Mr. Elliot had made out a strong case in support of protective duties for India, for they would give native manufactures a start, and that once done, they would soon be able to go on without external assistance, for the people had great natural aptitude, the raw materials for their labour were on the spot, and, under proper training, native ingenuity might be trusted for the rest. Hence his conviction that if the Indian Government were ever permitted to try the remedy suggested by Mr. Elliot, it would be a very difficult matter for Manchester to compete with India in many fields. Mr. Dickinson concluded by expressing his regret that he had not time to enlarge upon the other points of Mr. Elliot's very suggestive address, but he was quite sure he was interpreting the sense of the whole meeting in expressing their extreme obligations to the lecturer for the valuable observations he had laid before them. (Hear, hear.)

Mr. WOOD said it might be quite true that Mr. Elliot's address was full of suggestions, but, for himself, he thought that as regards several of them the reader of the paper had "run a-muck" against their prejudices. Papers to be read before the Association are, by the Rules, to be submitted to the Managing Committee, and it would be a matter of regret if suggestions of the nature alluded to were to appear on the records of the Association, and be supposed to be in general accordance with the sentiments of its members. He quite agreed with previous speakers as to the importance of nurturing and encouraging the growth of native manufactures; and there were few but would agree that the idea was one which could be carried into practical effect. Indeed, to a limited extent it was going on now, under English superintendence, and it was earnestly to be hoped that wider efforts would be followed by corresponding success. It is alleged in the paper that at present the

revenues of India mainly depend on opium, which, as a medium of intoxication, was one of the world's greatest curses; and hence many earnest-minded people would for this reason welcome the day when the prosperity of India would enable the Government to dispense with an iniquitous traffic. As regards another point raised by Mr. Elliot—the question of Indian investments—he was greatly mistaken in assuming that if the time should come when England would have to meet the Indian debt, the lower and middle classes, as having no interest in the matter, would enforce its repudiation. So far from the Indian debt being exclusively held by the upper classes of England, it was a well-known fact that the middle and lower classes were large investors in these funds. (“Oh,” and “Hear, hear.”)

Major-General MARRIOTT begged that he might be permitted to explain the meaning of some of his observations, as he seemed to have been misunderstood. It appeared to be presumed that he had not properly apprehended the meaning of the suggestion of “compulsion” in respect of English capital to be employed in India. He was anxious, therefore, to say that he understood Mr. Elliot's use of the word “compulsion” to mean no more than a figurative expression for “effective attraction.” (Hear, hear.) In another matter, too, he had been misunderstood, for a previous speaker had assumed that he had contended that manufactures would be of no advantage to increase the wealth of India. The fact was, however—and he was sorry if he had not made it clear before—that he did not think this, but only meant to say that manufactures which could only be maintained by the imposition of a protective duty could be of no value to the people of India. (Hear, hear.)

Mr. NOWROZJEE FURDOONJEE said he would venture to invite the attention of the meeting to the third of the difficulties laid down by Mr. Elliot—viz., the “financial difficulties, which, though no doubt “largely increased by sheer waste and extravagance, have mainly arisen “from the glaringly insane attempt to govern on English principles with “the aid of Asiatic revenues.” This difficulty was certainly a very grave one, and some idea of its ominousness might be gathered from the fact, which he believed was well known to the members of this Association, that at the time when the government of India was transferred from the control of the old East India Company to the direct sovereignty of the Crown, the public expenditure of India was a trifle over 32,000,000*l.* yearly, and now it is more than 52,000,000*l.* During this short interval of fifteen years there had been an increased expenditure now equal to more than 19,000,000*l.* a-year. With an expenditure so enormously increased, there was, of course, great and serious difficulty in the management of the revenue. Mr. Elliot had justly described the system as one

of sheer waste and extravagance, for it was a simple fact that there had been a great deal of waste and extravagance included in this enormously increased expenditure, and he would earnestly urge the East India Association to direct its attention and influence to the best means of removing these evils by the suggestion of measures calculated to reduce the expenditure to proper and reasonable bounds. Mr. Elliot had alluded to a serious eventuality which should induce the most vigorous efforts to reduce the expenditure—viz., the possibility of the decadence and cessation of the opium revenue. If India was well governed, fifteen years ago, at an outlay of 32,000,000*l.*, is there any reason why the present Government should not do the same, making due allowances for the increase rendered necessary by the progress of the country, the promotion of railways, and the encouragement to the construction of works of public utility? The present expenditure was altogether unaccountable, except that there was cruel waste and extravagance, and he therefore hoped the time would soon come when the British Parliament would go to work with the urgent necessity of reducing the public expenditure of the Indian Government, and he was firmly convinced that this might be done in various departments of the State without in the least impairing their efficiency. (Hear, hear.)

The CHAIRMAN said he might explain that one reason why the expenditure and the revenue account of India had increased immensely on paper was that now they enter in the financial statement, not the balances, but the whole expenditure on one side, and the whole gross revenue on the other side of the account. Before, they used to carry forward the balances only; now, they put down everything—expenses of collection, &c.—on the expenditure side; and in this way, in point of fact, the expenditure is factitiously increased and swollen. He quite agreed with Mr. Nowrozjee Furdoonjee, however, as to the desirability of reducing the Indian expenditure, and when a member of the House of Commons' Committee on Indian Finance, he had endeavoured to find a way to reduce the expenditure. (Hear, hear.)

Mr. NOWROZJEE FURDOONJEE said that on the point of offering encouragement to manufactures, he quite agreed with all that had been said in urging its necessity. He thought it was the duty of the British Government to do this, for they had destroyed native industries and the native manufactures, which were once in a flourishing condition before piece goods were imported from England. Of course it would be absurd to deny that these goods were more cheaply produced, but that did not get rid of the fact that something must be done to provide for the people, in order that they might find adequate means of subsistence. As cultivators of the soil exclusively, the Natives of India could not all

secure subsistence, and the only recourse was to encourage the revival of arts and manufactures, as an outlet for the large and increasing population. He was one of the first in the Bombay Presidency to suggest the necessity of employing capital for the purpose of manufacturing piece goods, and mills have been founded, during the last few years, in that Presidency, and they are to a certain extent successful. But it is now proposed that this slightly reviving industry should be destroyed by the revocation of that duty. (Hear, hear.)

Mr. C. MEENACSHAYA said he perfectly agreed with the lecturer in thinking that India can only become prosperous and wealthy by the encouragement of her manufactures, and the remedy he suggested for encouraging manufactures—the imposition of a protective duty—was a wise and excellent one, and quite feasible; but, unfortunately, it was one of those propositions which are very good in theory, while they militate too strongly against self-interest to allow of their being put into effect. (Hear, hear.) What Mr. Elliot, in point of fact, asks the Manchester manufacturers to do is to forego their profits; he asks the English people to abandon and shut themselves out of a field from whence they obtain a good return for their enterprise. (Hear, hear.) This is exactly analogous to asking the aid of a shopkeeper to the setting up of a rival establishment in the same street, or requesting a banker to promote the establishment of an opposition bank. (Hear, hear.) And if Mr. Elliot is very sanguine about the speedy carrying out of his suggestion, it would be well, he regretted to think, that he should undeceive himself. In the last Parliamentary Session a petition was presented to the then Prime Minister, Mr. Gladstone, asking him to procure the removal of even the small protective duty existing on Manchester piece goods; and, “thankful for small mercies,” he confessed he would consider his countrymen very fortunate if the prayer of the petition were eventually rejected, and the duty left alone. He felt that even this would be obtaining great concession from a commercial nation like the English. On the general subject, an examination of history, however, would discover that in no country had manufactures originated and developed except, in the early stages, by a system of protection; and even at the present moment the protective system was in full force in the United States and among the continental nations. England, with the accumulated advantages of centuries of manufacturing industry, with all her extraordinary natural advantages, was, until lately, protectionist also. Examine English history of a comparatively recent period, and they would find that duties were commonly imposed on innumerable articles of manufacture; and his belief was that but for this policy England would not have achieved the high position which she has now reached.

He was conscious that many gentlemen present would not agree with him in this—(hear, hear)—but he was expressing his own convictions, and he knew he was not alone in this view. (Hear, hear.) To ask India to do without protection, and to enter into open competition with England, was just like asking a child to stand up and fight with a grown-up man. (Hear, hear.) As a practical instance of the good fruits of the slight protective duty, he might point to the mills of Bombay. The arguments generally advanced against a protective duty are reducible to two: First, that a protective system compels the poorer population to pay a larger sum for their clothing than otherwise would be the case; and, secondly, that it is an artificial propping up of an industry which will fall to the ground when the support is removed, leaving it weaker than before. As regards the first difficulty, the difference in price would be of so slight a character that it would be of little importance when we consider the future advantage which will accrue to the nation when its manufactures have been fully developed. Then, as a mercantile matter, we must consider the enormous amount of swindling which goes on now in the way of “filling in” the Manchester cloths, and how, under this disguise, what flimsy material is sent to the Natives of India; so that, if even twice as much were paid for strong native cloth, it would be a real gain. (Hear, hear.) This evil was one of the results of the present monopoly of the trade; for, if India had these manufactures, and the buyer had an opportunity of making a comparison and judging between native and imported goods, the result would hardly be doubtful, and, in any case, the “filling in” would cease, for it would bring its own punishment—loss of custom. (Hear, hear.) As regards the second objection, it was certain that there must be some nursing of industry in order to induce a strong and healthy growth. Were India an independent country, and the political connection between England and India non-existent, who could doubt that a wise and sagacious ruler in India would encourage by every means, artificial or natural, the establishment of native industries? (Applause.)

Mr. A. M. BOSE said he had a deep feeling on the subject under discussion, and he felt that his countrymen were under no small obligations to Mr. Elliot for the able and exhaustive way in which he had treated the matter. The future outlook was even gloomier than had been represented, if the Indian Government did not change its policy; and the increasing intelligence of the people, and the greater facilities of communication, were hastening the growth of that spirit of union and free inquiry which only increased the gravity of the case. He did not think, however, that the uprisal of manufactures would prove the universal panacea represented by the lecturer. The introduction of manufacturing

industries would, to his mind, be a very tardy and indirect way of meeting the evils by which India is afflicted; for the key to the whole matter seemed to be that, in Mr. Elliot's view, the establishing of little colonies of manufacturing Englishmen in India would result in their demanding a better system of government, and in this indirect way benefit would result to the Indian people. Even were this measure practicable—and of this he had grave doubts—it would take a very long time before the evils existing could be removed. Mr. Elliot thinks that cordial relations would certainly grow up between these English overseers and those whom they employed; but, although he was glad to hear what Mr. Elliot had said regarding his own experience on this point as a planter in Mysore, it was impossible to forget that that experience was not of general application, and was no measure of what would be likely to occur elsewhere. The relations existing between the indigo-planters of Bengal and their peasantry were not to be forgotten, nor the sad crisis which resulted some years ago. (Hear, hear.) Nor were the relations of the tea-planters of Assam and the coolies of the most happy and effusively beatific character. (Hear, hear.) Altogether he might be pardoned for regarding the cordiality between employers and employed which was to spring from the adoption of Mr. Elliot's scheme as a rather doubtful issue; and therefore he wondered that it had not occurred to the lecturer that manufactures might be induced in India—and certainly a better system of government—by means less indirect than those he had proposed. They must look to the development of intelligence in India to enable them to enter the field of manufacturing industry with ability to compete with England on a fair footing. On the Continent the governing powers felt it to be within their duty to organize a systematic course of technical education; indeed, it was only a short time ago that the National Assembly in France appointed a special committee to inquire into the best means of promoting manufactures; and something like that might be done in India. The manufacturing spirit was already existent in India, and it was reviving every day; and they had only to look into the records of the past history of the country to find what enterprise and energy the people were capable of. In Bombay and in Western India the revival of this spirit was plainly visible; and even in Bengal the movement was discernible, for many friends of his had come to England for no other purpose than to learn the art of commerce and manufacture in this country. (Hear, hear.) Mr. Elliot could hardly be serious in stating that the people only needed their stomachs to be filled to make them perfectly content, for the history of England itself was full of instances to the contrary. It appeared, then, to him that there was only one way out of the difficulties which were gathering around the

Indian Government, and that was by recognizing the just claims of the Indian people, and in redressing existing wrongs. Time would not permit of an enlargement on these grievances, but one of the most patent was to be remedied by the increased employment of native agencies in the administration of affairs, and by the constitution of consultative committees or representative institutions. This would do a great deal to secure the affections of the people to the British rule, and make the Government strong, not only against internal disorder, but against attacks from without. The increased employment of Natives in the administration would also, he believed, be a great step towards reducing the financial difficulties of the Government, for the offices would be better filled by persons who would understand the people better. These things done, he believed the other benefits alluded to by Mr. Elliot would naturally follow, and a bright and happy future would dawn for India. (Applause.)

Mr. ELLIOT, in consideration of the lateness of the hour, said he would waive the right of reply, although there were several points to which he would have liked to refer. He added that Mr. Dickinson (who had left at an earlier part of the evening) had put a note into his hands in which he said, "I beg you to notice that I never suggested 'manufactures that could only be supported by a protective duty. I said 'they might be *introduced*, as they were crushed out, by protection, but 'they would not require it long, in my opinion.'" [He here alludes to what he had previously said as to England having protected itself by heavy duties against the introduction of Indian manufactures.]

The CHAIRMAN, in terminating the discussion, said he greatly regretted the absence, from the pressure of other engagements, of Professor Fawcett, and other members of Parliament who were expected to attend, for their views on the subject would have been of special value. There were many things which he would like to say on various points which had been raised in the debate, but as the hour was unusually late, he felt he could not do better than follow the example of Lord Napier at the recent meeting of the Society of Arts, and he would therefore say that as he had prevented others from speaking, it was only fair that he should exercise the same authority over himself.

A vote of thanks to the Chairman and Lecturer having been cordially adopted, on the motion of Colonel FRENCH, seconded by Mr. NOWROZJEE FURDOONJEE, the sitting terminated.

*Annual Meeting.*

E. B. EASTWICK, Esq., C.B., F.R.S., IN THE CHAIR.

THE annual meeting of the Association was held on Wednesday afternoon, August 5, 1874, at the Rooms of the Association; Mr. E. B. Eastwick, C.B., being in the chair, supported by Captain W. C. Palmer (the Hon. Secretary), Colonel French, Mr. Fitzwilliam, Colonel Rathborne, Mr. W. Tayler, Dr. Burn, Mr. Coomára Swamy, Mr. Nowrozjee Furdoonjee, General Sir Le Grand Jacob, &c.

Captain W. C. PALMER (Hon. Secretary) submitted the annual report of the Council of the Association.

The CHAIRMAN, in opening the proceedings, said he must, in the first instance, express his regret that the distinguished President of the Association was not able to be present; but the fact was, the annual meeting of the Association had been postponed to so late a date, that the season was dying, if not already dead; and hence most of the distinguished gentlemen who were associated with them, and who would otherwise have been present, were prevented from taking part in the proceedings. This would account for the absence of Sir Laurence Peel and several other prominent members of the Association. (Hear, hear.) With regard to Sir Laurence Peel, their new President, he would suspend any remarks he might feel called upon to make until, at a later period, he proposed the motion for his re-election. Turning to the report, the first reflection was that it would be likely to give satisfaction to the members, as evidence that useful work had been done, and that more had been attempted. Some persons might be inclined to think that the Association's sphere of action was not so extensive, and its influence not so pronounced as it should have been, now that it had reached its seventh anniversary. But he would remind them that institutions which began like the East India Association, without any endowment (and the East India Association, in this or in any other respect, was certainly not "cradled in the purple") must necessarily fight for existence and struggle through many difficulties. This had been the lot of the Association, and, indeed, had it not been for the noble exertions of Mr. Dadabhai Naoroji, who was really the second founder of the Association, the institution could not have surmounted its difficulties. Owing to the labours of Mr. Dadabhai Naoroji and another gentleman who was present, the Association was

now entirely clear from embarrassments, and, for the first time, was able to present a good balance-sheet and to pay its way. Besides having a fair balance at their bankers, they looked into the future with a considerable amount of justifiable hope. He said this in view of the fact that their present resources were almost entirely owing to the contributions made to the Association from Western India alone. The other parts of India, so far, had not contributed, with one marked exception from Central India; and he confessed he looked forward to the time when Southern, and Northern, and Central India, and, above all, Eastern India, would contribute largely to the support of the Association. When that time arrived, the Association would be able to occupy a much larger sphere of action, and on much better terms. He justified his anticipation of this time by pointing to the fact that our colonies of Australia and Canada have founded agencies in this country, and have spent large sums in establishing them. Surely India, when it considers its own resources and looks at what has been done by Canada and Australia, will feel disposed to place its representatives here on better terms. He called the East India Association the representative of India in England, because, although there is a certain amount of representation in Parliament, and a department of the State is allotted to it, yet it is none the less a fact that the members of the Association are more earnestly interested in the welfare of the people than any of these. (Hear, hear.) In fact, the East India Association fulfilled the necessary office indicated by the question, "*Quis custodiet ipsos custodes?*" and was a watcher of the watchers; for the members of Parliament and the Indian Department of State not unfrequently required looking after. That this was admitted received fresh evidence from the Report just issued by the Select Committee on East Indian Finance, appointed to inquire into charges payable in this country for which the revenues of India are liable. One passage in the Report was as follows: "Your Committee cannot too strongly insist on the importance of securing for India strict impartiality in all her financial arrangements with this country, and they agree in the opinion which was very emphatically expressed by the Marquis of Salisbury, that the most effectual way of securing financial justice for India is for the House of Commons to be constantly watchful on her behalf. Your Committee cannot lay down too strongly the position that the English estimates ought not to be relieved at the expense of the Indian revenues, but that the Secretary of State for India in Council has the constitutional right of refusing to pay for objects in which he considers that India has no interest. . . . Your Committee have found that there has been, and is, considerable difference of opinion between the two great departments which

“conduct the military and Indian affairs of the empire, both generally  
“as to the proportion of the charges which ought to be borne by India,  
“and in particular with respect to the items which should be taken into  
“account.” Now, he was free to confess that his confidence did not  
carry him so far as to suppose that the House of Commons would be  
constantly watchful of the interests of the people of India unless urged  
by some outside organization. He was the more dubious of this when  
he considered that the possession of a practical knowledge of Indian  
affairs and to be on the alert in the interests of the people of India, was  
considered by the electors of this country as rather a disqualification  
than otherwise for a seat in the House of Commons. Hence he could  
not believe that the House of Commons will give entire security that  
the affairs of India shall be justly administered. The report of the  
Council which had just been submitted would show that in one or two  
instances the Association had been of service to India. For ex-  
ample, in the case of the Indian Famine, they were able to call  
the attention of the Secretary of State to the fact that a large  
sum, amounting to about 63,000*l.*, remained from the Famine Fund  
of 1861, which could be made available for the purpose of alleviat-  
ing the present famine. Had this not been noted, it was probable  
that, like the small dust of the balance, it would have been swept  
into some dark corner and forgotten. They had also called the at-  
tention of the Indian Government to a matter of great importance to  
Bombay—viz., the operation of Mr. Ellis’s Bill. They had addressed  
the Secretary of State on the subject, as indicated in the report, and sub-  
sequently the Indian Government were appealed to, and though no reply  
had yet been received, this, it was to be hoped, was attributable to the  
pressure and exigencies of the famine, which gave the officials no leisure  
to examine the matter. Taken as a whole, the Council’s report showed  
that they had carried out the objects of the Association as far as it was  
in their power. Still, they had greater objects in view, and one of the  
chief of these was a more complete representation of India, both in the  
government of the country itself and in the Imperial Legislature. In  
respect to the representation of the people in India, Sir Charles Trevelyan  
had made some valuable suggestions; and it was becoming increasingly  
important that the growing weight of intelligence in the people of that  
country should have its legitimate outlet in representation. Education  
was permeating the people, and their claim to representation would soon  
have irresistible weight. As regards the representation of India in the  
Imperial Legislature, it was astonishing how little attention had been given  
to it by the present generation. Burke, Adam Smith, and other most  
profound thinkers of the last century, have said that there is no reason

whatever why India should not be represented in Parliament. Besides this, there was the fact that in every other country having large colonies the principle of their right to representation was duly recognized. Hence, in the Assemblies of France, Spain, Portugal, and other countries, representatives of the colonies took their seats. In conclusion, the Chairman, while commending the East India Association to support at home, pointed out that the great objects they had in view could only be achieved by the Natives of India affording a hearty support. (Hear, hear.) India was so immeasurably great, if compared with the other dependencies of the British Empire, that it was simply surprising and inexplicable that the English people gave so little consideration to Eastern affairs. If the dignity of a country was to be reckoned by the number of its inhabitants or their intelligence, or the area over which it extends, then India should occupy almost the first rank, for she was the sixth in extent and second in population among the nations of the world; and although, as regards population, China held the first place, yet in intelligence India might justly be held to rank before her. He could have wished that some one more acquainted with the country, and more able to urge its claims, had presided; but as for himself, at any rate, he was certain that no one had a more sincere interest in the welfare of India, felt more strongly the evils by which she was afflicted, or could be more desirous of advancing her claims upon the earnest attention of the English people. (Hear, hear.)

Colonel RATHBORNE, in moving the adoption of the report, said he could heartily endorse every one of the opinions which had fallen from the Chairman, except in a single particular, and that was as to the Chairman's fitness to hold the position he now occupied. (Hear, hear.) If they wanted a man with a large and intimate acquaintance with Indian affairs, and a broad and statesmanlike method of viewing them, they could find none better than Mr. Eastwick. (Hear, hear.) He entirely agreed with the Chairman as to the question of the representation of India, and until some system of representation is introduced things cannot go on as they should. The Europeans who met the proposition by derisively asking where the Natives showed capacity enough for the purpose, were not men in civil employ of long experience in India, for these would almost, without exception, tell with what intelligence the head officials and dewans administered affairs and acquainted themselves with the views of the people, and how often they were capable of giving the soundest advice to the English officers. These men enlisted in some system of representative government would do more service to India than a million policemen; and nothing would tend to more strongly weld the ties existing between England and India.

Mr. W. TAYLER seconded the resolution.

Mr. NOWROZJEE FURDOONJEE begged permission to address a few observations on the work of the East India Association, as he would probably have no other opportunity before leaving England. In the first place, he would heartily thank the East India Association for their efforts in inducing the late Indian Finance Committee to take the evidence of qualified and independent Natives of India—an omission which was bitterly complained of in India. He regretted deeply that the sudden dissolution of Parliament about the beginning of the year had led to the extinction of the Committee before they had time to take the evidence of Natives invited from India, and before they were able to finish the important inquiry and make their report. Owing to the premature termination of the Committee's sittings (which had extended over three years), the fruit of their work would in a great measure be lost if the East India Association do not, early in the next session, press on Parliament the urgent necessity of entrusting the newly-appointed Finance Committee with the task of finishing the inquiry and making a report. In company with another Native of India—the Hon. Secretary of the Association, Mr. Dadabhai Naoroji—he came to England last year for the purpose of contributing their quota of evidence before the Committee from a Native point of view, so far as they could do so. Having accomplished the object of his mission, Mr. Nowrozjee said he was now about to return home to India; and he embraced the present opportunity of addressing an earnest appeal to the East India Association to take steps early next year to bring forward, for the consideration of Parliament, the following, among other reforms in the Indian Administration: First, the reconstruction and enlargement of the Supreme Legislative Council of India and of the Local Councils in the Presidencies, thereby providing efficient checks against the imposition of additional taxation, against extravagant or unnecessary expenditure and hasty and injurious legislation, which is the bane of the British Indian administration. The Natives have no direct representation in Parliament; they have no voice whatever in the imposition of taxes or the disposal of the revenues, and they possess only the semblance of representation in the making of laws affecting their interests. The proposal to spend sixty to one hundred millions sterling in the construction of railways, grand projects of irrigation, and other public works, requires a most watchful scrutiny and supervision. The new appointment of a Minister of Public Works in India, just sanctioned by Parliament, will give no guarantee against wasteful or lavish expenditure, and an efficacious check is necessary. The Public Works Department requires a radical change from top to bottom. The Public Works Budget, to be prepared by

the new Minister, should be brought forward every year, and submitted for sanction, and publicly discussed before an enlarged Council, with an adequate number of Native and non-official representatives, who should have power to sanction, modify, or reject any of the proposed items. At present the Budget is prepared by the Secretary to Government, and is resolved upon in secret deliberation before the Executive Council, composed exclusively of the official members of the Government. In the Legislative Council the Natives of India cannot be said to have any voice at all, because a population of 200,000,000 has only two nominal representatives in that Council, and these are chosen by the Government chiefly from the class of Native Princes or Chiefs, who are unacquainted with the language in which the proceedings of the Council take place, and who, with all respect, he submitted, were not qualified to represent the wants of the people or protect their interests. He would repeat that the appointment of a Minister of Public Works would give no guarantee against wasteful and lavish expenditure; that check will be best provided by the reconstruction and enlargement of the Council, whose business should be deliberated upon in public. The present system of non-representation, moreover, resulted in the people being harassed with unnecessary and injurious legislation. Instances of this were only too common, but, to give a recent case, he might mention the Bill which has been brought forward before the Supreme Council, having for its object the depriving of the regular tribunals of the country of a jurisdiction which they have long beneficially exercised in matters of revenue. The effect will be to deprive the people of India of the means of appealing to these tribunals for redress against the acts and decisions of the Revenue officers of Government, who are often arbitrary, and are usually actuated with the desire of enhancing the produce of the land-tax. No attention was paid to the remonstrances sent to the Indian Legislature from all parts of the Bombay Presidency, nor to the Memorial recently addressed by the East India Association. The Council have determined to pass that most objectionable Bill. In the interests of his countrymen, Mr. Nowrojee solicited the Association to memorialize Her Majesty's Secretary of State for India to veto the Bill as soon as they receive intelligence of its having been sanctioned by the Indian Legislature. There are a number of other matters in which the East India Association may beneficially exercise its functions, but time will not permit enlargement on them. Among these may be mentioned the serious defects existing in the administration of civil and criminal justice, and in the revenue system; the excessive enhancement of the land-tax, which, in a great many cases, has reduced the people to beggary, and made famine a permanent institution in different parts of India. Then

there is the grievance of the delay and excessive cost of justice; the heavy stamp-duties, which not unfrequently result in a denial of justice; and the failure of justice in criminal cases as between Natives and Europeans; the excessive increase of taxation for imperial, provincial, and municipal purposes; the rapid and growing increase in the cost of administration; and the prevalence of the practice of forced labour and the forcible exaction of supplies, which has been productive of great oppression, suffering, and dissatisfaction amongst the Native inhabitants of the Bombay Presidency. To this may be added the, as yet, unredressed complaint regarding the continued exclusion of the Natives from the higher grade of the Civil Service of their own country, no steps having been taken to carry out the Act passed by Parliament more than three years ago for affording facilities for the admission of the Natives into the Covenanted Service of India. Then there was the important subject of the re-adjustment of the financial relations between India and England on a just and equitable footing, and the unfairness of subjecting India to charges which ought to be defrayed by the Imperial Exchequer of England. On all these subjects, Mr. Nowrozjee said, he and Mr. Dadabhai had placed before the Indian Finance Committee a considerable quantity of information and data, to which he would invite the earnest and careful attention of the East India Association at its earliest convenience. As the Association had not done much during the past year, he urged the Council to work with renewed zeal during the ensuing year, to give a practical turn to their labours by making appropriate representations to Her Majesty's Government and to the Imperial Parliament on the subjects he had indicated. In conclusion, the speaker requested the Association to direct its energies and influence to the organization of a strong party in and out of Parliament to advocate and support those changes and reforms in the Indian administration which were urgently required—reforms which are calculated to improve the condition and promote the welfare of 200,000,000 of Her Majesty's Indian subjects, who would always feel grateful to the Association for its efforts in their behalf.

Colonel RATHBORNE observed that to do all this the East India Association must have adequate Native support, for without it they could do comparatively little.

The report was then adopted.

The CHAIRMAN proposed that the Right Hon. Sir Laurence Peel be re-elected President for the ensuing year. Mr. Eastwick added that he was the organ of the Council in asking Sir Laurence Peel to become President, and he would not soon forget the ready courtesy with which he received the application and accepted the invitation. In Sir Laurence

Peel they had a man who combined all the qualities they would wish to see in their chief, and the Council had already found the value of his advice.

Mr. FITZWILLIAM seconded the motion, and referred to the high esteem in which Sir Laurence Peel was held, not only in England, but in India also. He believed Sir Laurence Peel's presidency would greatly benefit the Association.

The resolution was carried unanimously.

Colonel FRENCH moved that the following gentlemen be elected Vice-Presidents: Major-General E. W. S. Scott, Lord Erskine, General Sir R. Wallace, Sir David Wedderburn, and Sir F. M. Williams, Bart., M.P.

Mr. NOWROZJEE FURDOONJEE seconded the resolution, which was adopted.

Dr. BURN moved that the following gentlemen be re-elected members of Council: E. B. Eastwick, Esq., C.B., Chairman of Council; Sir Charles Wingfield, K.S.I., Vice-Chairman; John Dickinson, Esq.; C. B. Denison, Esq., M.P.; W. Fowler, Esq.; S. G. Grady, Esq.; John Holms, Esq., M.P.; and John Farley Leith, Esq., M.P. Dr. Burn added that the Association were under great obligations to the Council for the ability with which they managed affairs.

General Sir LE GRAND JACOB said he would second the motion with pleasure, for Mr. Eastwick is one of the most valuable men the Association could possibly have, and there were some other good names on the list. He hoped none would allow it to be an empty honour. His (the speaker's) own health had become so thoroughly broken, that he was unable to take part in its affairs by becoming a member of its Council; but we should be thankful to any competent man who would devote a portion of time to support the interests of the Association, which might do much for the benefit of India, and be, in short, a little incipient Parliament for it, whose influence, if wisely managed, ought gradually to increase. Mr. Nowrojee Furdoonjee had intimated that he was about to return to India, and he therefore begged him to impress on his countrymen that the best means of increasing the influence of India in England, and to get the people of England to regard Indian affairs with interest, is for the Natives to show themselves to be men. (Hear, hear.) What is wanted is men who will devote themselves to different branches of science, art, and literature, and who will leave their mark upon "the sands of time;" and thus, by vindicating their claim to admission within the pale of high civilization, they will acquire such power in the advocacy of their rights as will insure their due consideration. India will then possess an importance in the eyes of Englishmen which the extent of

the country and the number of its population almost justifies without t. At present, however, India is just rising, as it were, out of a lethargy; it is only lately that a few Natives have shown themselves able to take their part in the machinery of an European government. They must not expect that the great changes which were asked could come about at once,—such, to be safe, must be always developed slowly; but it depended mainly upon the people themselves whether the movement already begun should continue rapidly or slowly, or even cease. (Hear, hear.)

The resolution was then adopted.

Mr. COOMARA SWAMY moved that the best thanks of the Association be given to the proprietors of newspapers which are supplied gratis to the Reading-room of the Association. Referring to the remarks which had been made regarding the little interest shown for Indian affairs, he confessed he thought this remark applied not only to England, but to India itself. Apathy was the prevailing characteristic in both cases, and but for the newspaper press, the situation would be almost hopeless. As matters at present stand, the Press of England and of India does more for India than any other influence, and is the only form of representation within the power of the Natives of India. He had been struck with the ability and painstaking zeal which had been bestowed by the English Press on the subject of the Indian Famine, and in this respect the Press had done a great deal to familiarize the people of England with the affairs of India; and so much had been done in this way, that he was not without hope that a healthy public opinion in respect of India would arise in England. In India, as they were aware, there were English papers, pre-eminent among which should be mentioned the *Times of India*, which advocated the claims and protected the interests of the Native population with vigour and ability; while at home the London daily journals had, of late, treated Indian topics more fully and satisfactorily than before. He therefore had great pleasure in proposing the resolution. He might add that he had heard with pleasure the remarks of that distinguished veteran, General Le Grand Jacob, and entirely agreed with him as to what Indians themselves owed to their country. After the Press of England and India, the great resource of the Natives is dependence upon themselves. Unless, as General Jacob said, they showed themselves to be men—until they showed that injustice would neither be safe for themselves nor for England—until they showed an intelligent patriotism, they could not expect much attention to their claims. Hence he was not one who joined in the cry about Government appointments and the like, but would rather see them despised as of little importance, and a higher spirit of true patriotism evoked, which would expose the evils by which Indian society is afflicted,

zealously seek a remedy, and, having found it, secure its application. When the Natives of India show how much they depend upon themselves and how little upon others, the day of attention to India's necessities is near at hand. (Hear, hear.)

General Sir LE GRAND JACOB said he could second the motion with sincere pleasure. He could honestly say he felt it as a blow that such a man as their worthy Chairman should not have been allowed by the stupid electors of Penryn to continue his useful course in Parliament. (Hear, hear.) It almost made him despair of his countrymen when he saw men like Mr. Eastwick and Mr. Fawcett, thoroughly acquainted with the affairs of India, and able withal to take an important part in political affairs generally, rejected by constituencies whom they had faithfully represented. (Hear, hear.) He felt it was a blot on the English character that this should have been the case, and it showed that, with all our boasted intelligence and civilization, the people of England required enlightenment almost as much as those of India. (Hear, hear.) The East India Association were deeply indebted to Mr. Eastwick for the valuable assistance he had always given them, and they hoped soon to see him returned to Parliament. (Hear, hear.) However this might be, they trusted he would continue to devote his energy and abilities to the benefit of India and to the support of this Association. (Hear, hear.)

Mr. ZORN said that, mention having been made of the inestimable services rendered to the Association by Mr. Dadabhai Naoroji, he could not but express his surprise at the inexplicable hostility with which he was met by some of the Indian native journals—newspapers which in this respect, at least, were anything but patriotic, as they claimed to be. It was a pity that India did not possess many more men like Mr. Dadabhai Naoroji—ready to sacrifice time and energy in the truly patriotic attempt to raise their fellow-countrymen in the estimation of the English people. (Hear, hear.)

The resolution was then cordially adopted, and the Chairman having signified his acknowledgments, the proceedings terminated.

ANNUAL REPORT OF THE EAST INDIA ASSOCIATION,  
1873-74.

YOUR Council, in submitting their Report for the year 1873-74, feel themselves justified in stating that the objects for which the Association was founded have been persistently carried out during the last twelve months. It will appear from the subjoined summary that the interests of the people of India have been earnestly advocated on every occasion that presented itself.

In September, 1873, the Council addressed a letter to the Under-Secretary of State for India regarding the clause in the East India Act, passed in 1870, permitting the Governor-General to select for the Covenanted Service of India Natives of that country who have not passed the competitive examination in England, under such rules and regulations as may be prescribed by the Governor-General in Council and sanctioned by the Secretary of State. The Council pointed out that three years had elapsed since the clause had been passed, but no steps had apparently been taken by his Excellency the Viceroy to frame the rules required by it, so that the Natives might obtain the due fulfilment of the promise made to them; and expressed their hope that there would be no further delay in promulgating the rules required by the Act.

In reply, the Council were informed that the subject was understood to be under the consideration of the Government of India, the attention of which had been twice called to it, and that the Duke of Argyll would send a copy of the Council's letter to the Government of India, and again request their early attention to the subject.

The correspondence is given in the Appendix (page 166).

CONSULTATIVE COMMITTEES.—The Council, on November 21, 1873, addressed a letter to the Secretary of State for India, suggesting the appointment of Consultative Committees in the principal towns in India, to inquire into the financial questions that have been under the consideration of the Indian Finance Committee, in order to obtain evidence to supplement that already given, and in aid of the present inquiry. The Council considered that much valuable information might be acquired through these Consultative Committees as to localities which must necessarily be entirely passed over if the evidence were restricted to the small number of Native witnesses who could be examined in this country; and they thought that any delay which might thereby be

incurred in issuing the Report of the Select Committee would be amply compensated by the valuable additional information which would be thus secured.

The letter was duly laid before the Secretary of State for India in Council, and the correspondence is inserted in the Appendix (page 169).

The Council, on February 3, 1874, addressed a Memorial to the Duke of Argyll on the subject of the Bill introduced into the Legislative Council of India to limit the jurisdiction of the Civil Courts throughout the Bombay Presidency in matters relating to Land Revenue, pointing out that the provisions of the Bill would create dissatisfaction, that the Bill would take away the power of appeal to the Civil Courts in cases of Land Revenue, and that the injured parties would be shut out from all chance of redress, as the person whose decision would be appealed against would become virtually the judge in his own cause; and pointing out, further, that the power of appeal against the acts of the Government or public officers in India should be rather extended than curtailed, so as to embrace every rank and every kind of case, and afford a remedy for all, and every species of wrong; that the withdrawal of a privilege hitherto enjoyed, and that only in the interests of the Government, was singularly inexpedient and objectionable, and the Council asked that the Bill should be disallowed.

In reply from the India Office, it was stated that the Council should submit its objections direct to the Government of India, which was accordingly done. The Memorial is given in full in the Appendix (page 171).

At the General Election, which took place in January of this year, the Council extensively advertised the following Appeal to the Electors on behalf of India:—

*“An Appeal on behalf of India.—To the Electors of the United Kingdom.*

“The East India Association, in the discharge of their duty to India, appeal to the Electors of the United Kingdom to impress on the Members they return to Parliament the necessity of their taking a deeper interest and bestowing more time on subjects affecting the interests of India, which underlie and are indissolubly bound up with the honour and welfare of the British Empire itself.

“On behalf of the Council,

“W. C. PALMER, Captain, Hon. Secretary.

“January 29, 1874.”

The following circular, soliciting greater attention to the affairs of

India, was also forwarded to the members elected to the new Parliament:—

“Sir,—Parliament having accepted the duty of controlling and regulating the affairs of India, I am directed by the Council of the East India Association to express a hope that you may be induced to give your attention to the questions affecting India which may from time to time arise and form a theme for discussion. It cannot be otherwise than agreeable to you to feel that in this you will be recognizing the right of the two hundred and fifty millions of people to your advocacy and protection. Should you need information or assistance in the prosecution of this part of your Parliamentary duties, I am to add that the East India Association will have great pleasure in giving you every aid in its power.

“I am, Sir, your obedient Servant,

“W. C. PALMER, Captain, Hon. Secretary.”

The Council regret that, although these appeals may not have been altogether efficacious, the general results of the elections have been unfavourable to the interests of India, by diminishing rather than increasing the number of members who possess a practical knowledge of that country. But they would observe that this only renders the action of the East India Association more imperatively necessary; and they would, on this ground as well as on many others, urge upon the people of India the expediency of strengthening the Association in every possible way, while they would appeal to its European members for renewed and redoubled exertions on its behalf.

The Chairman of the Council communicated with the other members of the Select Committee on Indian Finance, in the hope of obtaining their joint advocacy of the re-appointment of that Committee in the form of a Commission, so as to include all the original members who had heard the evidence from the beginning. Owing, however, to the want of complete unanimity, the design was abandoned, and the Government did not see fit to direct that such an extended inquiry as the former Committee were engaged in should be carried out, and have at present contented themselves with an examination into the Home charges, respecting which a Committee of the present House has taken valuable evidence.

The famine in Bengal has received the full share of consideration at the hands of your Council. It formed the subject of an important paper and discussion at one of the meetings; and Mr. S. P. Low, one of the members, having brought to notice the fact that there was a large balance of the Famine Fund of 1861, of which he was one of the Hon. Secretaries, the Council addressed the Secretary of State for India on the

subject, and asked him to ascertain how the sum transmitted to India of 110,000*l.* was expended, and to make the balance in the hands of the Indian authorities available for the recent lamentable famine. In reply, the Marquis of Salisbury thanked the Association for their suggestions, and stated that a reference had been made on the subject to the Government of India.

The Council also memorialized the Secretary of State, asking his favourable consideration to the question of the early construction of the most direct line of railway to connect the North-western Provinces with the Port of Bombay by the formation of a line between Ajmere and Ahmedabad, which would save 340 miles as compared with the present route; and in the memorial the Council adverted to the fact that the line formed part of Lord Dalhousie's scheme for railways in India; that it had been favourably reported on by Sir Bartle Frere and the Local Government, that its construction had been frequently urged by the Chamber of Commerce of Bombay, and that it was urgently required for the interests of the country.

The Council received representations from the Bombay Branch of the Association, stating they had seen with dismay and alarm the riots which occurred in important quarters of that city in the month of February last, when mobs of armed Mahomedans attacked the portion of the town inhabited by the Parsees, broke into and plundered Parsee houses, and desecrated places of worship, without, for a time, any effective check on the part of the authorities; and expressing their opinion that it was the first and highest duty of a Government to protect its subjects, and that the Government of Bombay had failed in fulfilling this great duty, and had permitted a body of men to take the law into their own hands; and asking the Council to take up the subject of the riots. The Council carefully considered the matter, and were of opinion that, before expressing their views on the conflicting statements that had been made, it would be necessary to obtain full information, and the papers and correspondence that had passed between the Local Government and the India Office, copies of which the Under-Secretary of State in Parliament promised to give.

The following is a list of the Papers read since the last meeting:—

1873.

*December 18.*—Read by Mr. W. TAYLER. "Famines in India: Their Remedy and Prevention."

1874.

*January 28.*—Read by P. M. TAIT, Esq. "Anglo-Indian Vital Statistics."

April 22.—Read by Major EVANS BELL. “The Disputed Succession in Afghanistan.”

May 15.—Read by Mr. R. H. Elliot. “Our Indian Difficulties: The Way Out of Them; and a Few Words of Warning to Investors in Indian Funds and Railways.”

They are reported in full in the *Journal of the Association*. To the readers of the Papers, and the gentlemen who took part in the discussions, the Council tender their best thanks.

The Council continue to receive very valuable additions to their Library, and they would especially thank the proprietors of the following papers, who present copies for the use of the Reading-room of the Association, where they may be daily read by members of the Association :—

|   |           |
|---|-----------|
| <i>The Delhi Gazette</i> .....            | Agra.     |
| „ <i>Aligurh Gazette</i> .....            | Aligurh.  |
| „ <i>Native Opinion</i> .....             | Bombay.   |
| „ <i>Times of India</i> .....             | „         |
| „ <i>Bengalee</i> .....                   | Calcutta. |
| „ <i>Hindoo Patriot</i> .....             | „         |
| „ <i>Indian Daily News</i> .....          | „         |
| „ <i>Indian Economist</i> .....           | „         |
| „ <i>Madras Athenæum and Daily News</i> . | Madras.   |
| „ <i>Madras Times</i> .....               | „         |
| „ <i>Madras Public Opinion</i> .....      | „         |
| „ <i>Indian Public Opinion</i> .....      | Lahore.   |
| „ <i>Examiner</i> .....                   | London.   |
| „ <i>Doctor</i> ..                        | „         |

Their best thanks are also due to the Council of India for continuing to supply them with Parliamentary Returns, and other important papers relating to India.

The Council have to record with deep regret the lamented death of their President, Lord Lyveden. Their feelings on this occasion were expressed in the following letter from the Chairman to his lordship's son :—

“November 21, 1873.

“My Lord,—The Council have heard with sincere regret of the death of the late Lord Lyveden, the President of the East India Association, and they wish to take the present opportunity of recording their deep sense of the services rendered by his lordship during the seven years of his Presidentship (since the commencement of the Association) in support of their objects, and in furtherance, on all legitimate occasions, of the true interests of India.

"The position which the late Lord Lyveden formerly occupied as President of the Board of Control gave unusual significance and special weight to the appointment which he held, and the advice he was always ready to offer; and the Council would wish specially to advert to the frequency and regularity of Lord Lyveden's occupation of the President's chair on all important occasions, which, with due reference to the demands of public and Parliamentary duties, and the claims of social life, was as gratifying as it was unusual.

"The Council would hope that the family of Lord Lyveden will not consider the presentation of a copy of this resolution, accompanied with an expression of their sincere condolence, as an unnecessary and ungracious intrusion on the sacredness of private sorrow.

"I have the honour to be, my Lord,

"Your obedient Servant,

"E. B. EASTWICK,

"Chairman of the Council of the East India Association."

The Right Hon. Sir Laurence Peel, late Chief Justice at Calcutta, now a member of Her Majesty's Privy Council, has been unanimously elected President of the Association, and has taken part in the proceedings of the Council.

The Council recommend the annual meeting to elect the following gentlemen Vice-Presidents: Major-General E. W. S. Scott, General Sir R. Wallace, Sir David Wedderburn, Lord Erskine, and Sir F. M. Williams, Bart., M.P.

The following gentlemen have been elected Members of Council since the last annual meeting: J. H. Stocqueler, Esq.; C. Meenacshaya, Esq.; M. Coomára Swamy, Esq.; Col. A. B. Rathborne; Nowrozjee Furdoonjee, Esq.; James Bogie, Esq.; Major-General W. F. Marriott; and R. H. Elliot, Esq.

Sixteen new members have been elected since the last meeting.

Dr. G. W. Leitner, Principal of the Lahore College, has been elected an honorary member of the Association.

The following Members of Council retire by rotation. The Council recommend their re-election: E. B. Eastwick, Esq., C.B.; Sir Charles Wingfield, K.S.I.; John Dickinson, Esq.; C. B. Denison, Esq., M.P.; W. Fowler, Esq.; S. G. Grady, Esq.; John Holms, Esq., M.P.; and John Farley Leith, Esq., M.P.

## ALPHABETICAL LIST OF SUBSCRIBERS

*Who have Paid their Subscriptions from 1st May, 1873, to 30th April, 1874.*

|  | For     | £ | s. | d. |
|--|---------|---|----|----|
| George Appleton, Esq. ....                     | 1874    | 1 | 5  | 0  |
| Major-General Sir George Balfour, M.P. ....    | "       | 1 | 5  | 0  |
| Major Evans Bell .....                         | 1873    | 1 | 5  | 0  |
| Lawrence Biale, Esq. ....                      | "       | 1 | 5  | 0  |
| Nicholas C. Biale, Esq. ....                   | "       | 1 | 5  | 0  |
| Lieut.-Colonel James Black .....               | 1872-73 | 2 | 10 | 0  |
| James Bogie, Esq. ....                         | 1873    | 1 | 5  | 0  |
| A. M. Bose, Esq. ....                          | 1874    | 1 | 5  | 0  |
| General John Briggs .....                      | 1874-75 | 2 | 10 | 0  |
| Dr. J. Collis Browne .....                     | 1872-73 | 2 | 10 | 0  |
| A. Burn, Esq., M.D. ....                       | 1874    | 1 | 5  | 0  |
| A. H. Campbell, Esq. .... (for Journal)        | 1870-73 | 1 | 0  | 0  |
| Walter Cassels, Esq. ....                      | 1871-75 | 5 | 5  | 0  |
| P. R. Cola, Esq. ....                          | 1870-73 | 1 | 0  | 0  |
| General Sir Arthur Cotton, R.E., K.C.S.I. .... | 1874    | 1 | 5  | 0  |
| Major-General F. C. Cotton, R.E., C.S.I. ....  | "       | 1 | 5  | 0  |
| Clement Dale, Esq. ....                        | "       | 1 | 5  | 0  |
| Juland Danvers, Esq. ....                      | "       | 1 | 5  | 0  |
| Emerson Dawson, Esq. ....                      | "       | 1 | 5  | 0  |
| William Dent, Esq. ....                        | "       | 1 | 5  | 0  |
| S. S. Dickinson, Esq. ....                     | "       | 1 | 5  | 0  |
| Daniel D. Dymes, Esq. ....                     | "       | 1 | 5  | 0  |
| R. H. Elliot, Esq. ....                        | "       | 1 | 5  | 0  |
| Colonel W. E. Evans, Esq. ....                 | "       | 1 | 5  | 0  |
| Major-General Sir Vincent Eyre .....           | "       | 1 | 5  | 0  |
| W. S. Fitzwilliam, Esq. .... (for Journal)     | 1873    | 0 | 5  | 0  |
| George Foggo, Esq. ....                        | 1874    | 1 | 5  | 0  |
| William Fowler, Esq. ....                      | 1871-73 | 3 | 15 | 0  |
| H. H. Freeland, Esq. ....                      | 1874    | 1 | 5  | 0  |
| Colonel P. T. French .....                     | "       | 1 | 5  | 0  |
| Colonel W. A. Fyers .....                      | 1873    | 1 | 5  | 0  |
| Ditto .....                                    | 1874    | 1 | 5  | 0  |
| J. A. Gibbons, Esq. ....                       | "       | 1 | 5  | 0  |
| Lord R. de A. Grosvenor, M.P. ....             | "       | 1 | 5  | 0  |
| Colonel C. S. Guthrie .....                    | 1872-74 | 3 | 15 | 0  |
| B. F. Hall, Esq. ....                          | 1873    | 1 | 5  | 0  |
| Sir Robert Hamilton .....                      | 1874    | 1 | 5  | 0  |
| Colonel E. Hemery .....                        | "       | 1 | 5  | 0  |
| John Holms, Esq., M.P. ....                    | "       | 1 | 5  | 0  |

|   | For       | £ s. d. |
|---|-----------|---------|
| J. F. Hore, Esq.....                    | 1874      | 1 5 0   |
| A. R. Hutchins, Esq. ....               | "         | 1 5 0   |
| General Sir G. Jacob .....              | "         | 1 5 0   |
| Charles Jay, Esq. ....                  | "         | 1 5 0   |
| Professor T. H. Key .....               | 1873      | 1 5 0   |
| Henry Kimber, Esq. ....                 | 1874      | 1 5 0   |
| J. Stuart Laurie, Esq .....             | "         | 1 5 0   |
| Dr. A. H. Leith .....                   | "         | 1 5 0   |
| Limjee Jamsetjee Batleeboye, Esq. ....  | Life Sub. | 14 0 0  |
| S. P. Low, Esq. ....                    | 1874      | 1 5 0   |
| Hon. C. J. Lyttelton .....              | "         | 1 5 0   |
| Colonel Colin Mackenzie .....           | "         | 1 5 0   |
| G. G. Macpherson, Esq.....              | "         | 1 5 0   |
| Major-General J. D. Macpherson.....     | "         | 1 0 0   |
| W. Markby, Esq.....                     | "         | 1 5 0   |
| Major-General W. F. Marriott .....      | "         | 1 5 0   |
| Hugh Mason, Esq. ....                   | "         | 1 5 0   |
| Francis Mathew, Esq. ....               | 1873      | 1 5 0   |
| James Matthews, Esq. ....               | 1874      | 1 5 0   |
| Lucas Mavrogordato, Esq. ....           | "         | 1 5 0   |
| C. Meenachaya, Esq. ....                | 1873      | 1 5 0   |
| Mirza Abbas Beg, Esq. ....              | Life Sub. | 14 0 0  |
| S. V. Morgan, Esq.....                  | 1874      | 1 5 0   |
| Nowrojee Furdoonjee, Esq. ....          | "         | 1 5 0   |
| Captain W. C. Palmer .....              | "         | 1 5 0   |
| T. G. A. Palmer, Esq. ....              | "         | 1 5 0   |
| J. C. Parry, Esq.....                   | 1872-73   | 2 10 0  |
| John Pender, Esq., M.P. ....            | 1874      | 1 5 0   |
| Captain A. Phelps .....                 | "         | 1 5 0   |
| A. S. Raghava Charier (Bangalore) ..... | "         | 1 5 0   |
| Ditto (donation) .....                  | "         | 0 5 0   |
| Colonel A. B. Rathborne .....           | "         | 1 5 0   |
| General W. Richardson .....             | "         | 1 5 0   |
| Almaric Rumsey, Esq. ....               | 1872-73   | 2 10 0  |
| Marquis of Salisbury .....              | 1874      | 1 0 0   |
| H. B. Samuelson, Esq., M.P. ....        | "         | 1 5 0   |
| Lord Sandhurst .....                    | "         | 1 5 0   |
| James G. T. Scott, Esq. ....            | 1871-73   | 3 15 0  |
| Major-General E. W. S. Scott .....      | 1874      | 1 5 0   |
| H. D. Seymour, Esq. ....                | "         | 1 5 0   |
| General R. Shaw.....                    | 1873      | 0 5 0   |
| Dr. D. H. Small.....                    | "         | 1 0 0   |
| P. B. Smollett, Esq., M.P. ....         | 1874      | 1 5 0   |
| Colonel Thomas Stock .....              | "         | 1 5 0   |
| J. H. Stocqueler, Esq.....              | 1873      | 1 5 0   |
| General Lord Straithnairn.....          | 1874      | 1 5 0   |
| N. Subrahmanyam Ayengar, Esq.....       | "         | 1 5 0   |
| P. M. Tait, Esq. ....                   | 1872-73   | 2 10 0  |
| Thomas Taylor, Esq. ....                | 1874      | 1 5 0   |

|   | For       | £                     | s. | d. |
|---|-----------|-----------------------|----|----|
| Dr. W. Thom .....                                 | 1874      | 1                     | 5  | 0  |
| Theodore Thomas, Esq. (Lucknow) .....             | 1873      | 1                     | 5  | 0  |
| Colonel E. Thompson .....                         | 1874      | 1                     | 5  | 0  |
| W. M. Torrens, Esq., M.P. ....                    | "         | 1                     | 5  | 0  |
| Sir C. E. Trevelyan .....                         | "         | 1                     | 5  | 0  |
| Colonel J. S. Trevor .....                        | "         | 1                     | 5  | 0  |
| Colonel F. Tyrrell .....                          | "         | 1                     | 5  | 0  |
| Sir David Wedderburn, Bart. ..                    | 1875      | 1                     | 5  | 0  |
| John Whitwell, Esq., M.P. ...                     | 1873      | 1                     | 5  | 0  |
| Ditto .....                                       | 1874      | 1                     | 5  | 0  |
| Sir F. M. Williams, Bart., M.P. ....(for Journal) | 1868-73   | 1                     | 10 | 0  |
| J. P. Wise, Esq. ....                             | 1873      | 1                     | 5  | 0  |
| J. T. Wood, Esq. ....                             | 1874      | 1                     | 5  | 0  |
| Khan Bahadoor Yusif Alli .....                    | Life Sub. | 14                    | 0  | 0  |
|   |           | <hr/> £180 15 0 <hr/> |    |    |

## CASH ACCOUNT, from May 1, 1873, to April 30, 1874.

| DR.   |       | RECEIPTS. |       | EXPENDITURE.                           |       | CR. |          |
|---|-------|-----------|-------|--|-------|-----|----------|
|   | 1873. |           | 1874. |  | 1874. |     | 1874.    |
| May 1.—To BALANCE at Bankers (Grindlay and Co.)                     | 98    | 2         | 4     | By Rent                                | 152   | 18  | 4        |
| " " " in hand   | 0     | 5         | 11    | Salaries                               | 96    | 10  | 10       |
| April 30.—To Subscriptions received in London as per foregoing List | 180   | 15        | 0     | Office Expenses, &c.                   | 10    | 16  | 5        |
| To Remittance from Bombay Branch                                    | 182   | 5         | 10    | Printing and Reporting                 | 23    | 10  | 7        |
| To Interest on Investments in India                                 | 305   | 4         | 5     | Stationery                             | 16    | 2   | 6        |
| " " in England  | 23    | 14        | 0     | Newspapers and Books                   | 13    | 8   | 9        |
| To Advertisements in Journal  | 44    | 12        | 6     | Furniture                              | 7     | 5   | 7        |
| To Sale of Journal, &c.   | 2     | 7         | 0     | Freight                                | 3     | 3   | 0        |
|   |       |           |       | Paragraining                           | 136   | 14  | 7        |
|   |       |           |       | By BALANCE at Bankers (Grindlay & Co.) | 0     | 15  | 0        |
|   |       |           |       | " in hand                              | 136   | 9   | 7        |
|   |       |           |       |  |       |     | £837 7 0 |

## BALANCE SHEET, 30th April, 1874.

| ASSETS.   |         | LIABILITIES.                  |           |
|---|---------|-------------------------------|-----------|
|   | £ s. d. |                               | £ s. d.   |
| National Bank of India (Limited)                      | 430     | 8                             | 3         |
| Furniture and Fixtures—London                         | 143     | 8                             | 9         |
| Do, do, Bombay  | 15      | 0                             | 0         |
| Library Account                                       | 30      | 0                             | 0         |
| Advertisements  | 14      | 9                             | 6         |
| Balance of Bank and Cash Accounts                     | 136     | 9                             | 7         |
|   | £769    | 16                            | 1         |
| Examined with Ledger and Vouchers, and found correct. |         | Balance as per Contra         | £769 16 1 |
| WILLIAM TAYLER,                                       |         | W. C. PALMER, Hon. Secretary. |           |
| AVINASA CHANDRA MITRA,                                |         |                               |           |
| 5th August, 1874.                                     |         |                               |           |

## APPENDIX A.

East India Association, 20, Great George Street, Westminster,  
London, September, 1873.

*To M. E. Grant Duff, Esq., M.P., Under-Secretary of State for India, India Office.*

Sir,—By the direction of the Council of the East India Association, I have to request you to submit this letter for the kind consideration of his Grace the Secretary of State for India.

On the 21st August, 1867, this Association applied to Sir Stafford Northcote, the then Secretary of State for India, asking that the competitive examination for a portion of the appointments to the Indian Civil Service should be held in India, under such rules and arrangements as he might think proper, and expressing an opinion that, after the selection had been made in India by the first examination, it was essential that the selected candidates should be required to come to England to pass their further examinations with the selected candidates for this country.

Sir Stafford Northcote soon after introduced a clause in the Bill he submitted to Parliament, entitled "The Governor-General of India Bill."

The enactment of this Bill continued in abeyance, until, under the auspices of his Grace the present Secretary of State, it became law on the 25th March, 1870, as "East India (Laws and Regulations) Act." Moving the second reading of the Bill on the 11th March, 1869, his Grace, in commenting upon Clause 6, in a candid and generous manner, made an unreserved acknowledgment of past failures of promises, non-fulfilment of duty, and held out hopes of their future complete fulfilment to an adequate extent as follows:—

"I now come to a clause—the 9th—which is one of very great importance, involving some modification in our practice and in the principles of our legislation as regards the Civil Service in India. Its object is to set free the hands of the Governor-General, under such restrictions and regulations as may be agreed to by the Government at home, to select for the Covenanted Service of India Natives of that country, although they may not have gone through the competitive examination in this country. It may be asked how far this provision is consistent with the measures adopted by Parliament for securing efficiency in that service; but there is a previous and, in my opinion, a much more important question which I trust will be considered—how far this provision is essential to enable us to perform our duties and fulfil our pledges and professions towards the people of India? . . . . .

"With regard, however, to the employment of Natives in the Government of their country, in the Covenanted Service formerly of the Company and now of the Crown, I must say that we have not fulfilled our duty, or the promises and engagements which we have made.

"In the Act of 1833 this declaration was solemnly put forth by the Parliament of England :—

" 'And be it enacted, That no Native of the said territories, nor any natural born subject of His Majesty resident therein, shall, by reason only of his religion, place of birth, descent, colour, or any of them, be disabled from holding any place, office, or employment under the said Company.'

"Now, I well remember that in the debates in this House in 1853, when the renewal of the Charter was under the consideration of Lord Aberdeen's Government, my late noble friend Lord Monteagle complained, and I think with great force, that, while professing to open every office of profit and employment under the Company or the Crown to the Natives of India, we practically excluded them by laying down regulations as to fitness which we knew Natives could never fulfil. If the only door of admission to the Civil Service of India is a competitive examination carried on in London, what chance or what possibility is there of Natives of India acquiring that fair share in the administration of their own country which their education and abilities would enable them to fulfil, and therefore entitle them to possess? I have always felt that the regulations laid down for the competitive examination rendered nugatory the declaration of the Act of 1833; and so strongly has this been felt of late years by the Government of India, that various suggestions have been made to remedy the evil. One of the very last—which, however, has not yet been finally sanctioned at home, and respecting which I must say there are serious doubts—has been suggested by Sir John Lawrence, who is now about to approach our shores, and who is certainly one of the most distinguished men who have ever wielded the destinies of our Indian Empire. The palliative which he proposes is that nine scholarships—nine scholarships for a Government of upwards of 180,000,000 of people!—should be annually at the disposal for certain Natives, selected partly by competition and partly with reference to their social rank and position, and that these nine scholars should be sent home with a salary of 200*l.* a-year each to compete with the whole force of the British population seeking admission through the competitive examinations. Now, in the first place, I would point out the utter inadequacy of the scheme to the ends of the case. To speak of nine scholarships distributed over the whole of India as any fulfilment of our pledges or obligations to the Natives, would be a farce. I will not go into the details of the scheme, as they are still under consideration; but I think it is by no means expedient to lay down as a principle that it is wholly useless to require Natives seeking employment in our Civil Service to see something of English society and manners. It is true that in the new schools and colleges they pass most distinguished examinations, and, as far as books can teach them, are familiar with the history and constitution of this country; but there are some offices with regard to which it would be a most important, if not an essential, qualification, that the young men appointed to them should have seen something of the actual working of the English Con-

“stitution, and should have been impressed by its working, as any one must be who resides for any time in this great political society. Under any new regulations which may be made under this clause, it will, therefore, be expedient to provide that Natives appointed to certain places shall have some personal knowledge of the working of English institutions. I would, however, by no means make this a general condition, for there are many places in the Covenanted Service of India for which Natives are perfectly competent, without the necessity of visiting this country; and I believe that by competitive examinations conducted at Calcutta, or even by pure selection, it will be quite possible for the Indian Government to secure able, excellent, and efficient administrators.”

The clause thus introduced, in a manner worthy of an English generous-minded nobleman, and passed into law, is as follows:—

“6. Whereas it is expedient that additional facilities should be given for the employment of Natives of India, of proved merit and ability, in the Civil Service of Her Majesty in India, Be it enacted, that nothing in the ‘Act for the Government of India,’ twenty-one and twenty-two Victoria, chapter one hundred and six, or in the ‘Act to confirm certain appointments in India, and to amend the law concerning the Civil Service there,’ twenty-four and twenty-five Victoria, chapter fifty-four, or in any other Act of Parliament, or other law now in force in India, shall restrain the authorities in India, by whom appointments are or may be made to offices, places, and employments in the Civil Service of Her Majesty in India, from appointing any Native of India to any such office, place, or employment, although such Native shall not have been admitted to the said Civil Service of India in manner in section thirty-two of the first-mentioned Act provided, but subject to such rules as may be from time to time prescribed by the Governor-General in Council, and sanctioned by the Secretary of State in Council, with the concurrence of a majority of members present; and that for the purpose of this Act the words ‘Natives of India’ shall include any person born and domiciled within the dominions of Her Majesty in India, of parents habitually resident in India, and not established there for temporary purposes only; and that it shall be lawful for the Governor-General in Council to define and limit from time to time the qualification of Natives of India thus expressed; provided that every resolution made by him for such purpose shall be subject to the sanction of the Secretary of State in Council, and shall not have force until it has been laid for thirty days before both Houses of Parliament.”

It is now more than three years since this clause has been passed, but the Council regret to find that no steps have apparently yet been taken by his Excellency the Viceroy to frame the rules required by it, so that the Natives may obtain the due fulfilment of the liberal promise made by his Grace.

The Natives complain that had the enactment referred to the interests of the English community, no such long and unreasonable delay would have taken place, but effect would have been given to the Act as quickly as possible, and they further express a fear that this promise may also be a dead letter.

The Council, however, fully hope that further loss of time will not be allowed to take place in promulgating the rules required by the Act. The Natives, after the noble and generous language used by his Grace, naturally expect that they will not be again doomed to disappointment, and most anxiously look forward to the promulgation of the rules—to give them, in some systematic manner, “that fair share in the administration of their own country which their education and abilities would enable them to fulfil, and therefore entitle them to possess,” not only as a political justice, but also as a national necessity, for the advancement of the material and moral condition of the country.—I remain, Sir, your obedient Servant,

W. C. PALMER, Captain,  
Acting Honorary Secretary of the East India Association.

*Reply of the Under-Secretary of State for India, in answer to the foregoing Letter.*

India Office, London, October 10, 1873.

Sir,—I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 2nd October, relative to the provisions of the 33rd Victoria, cap. iii. sec. 6, and to inform you that the subject is understood to be under the consideration of the Government of India, the attention of which has been twice called to it.

2. The Duke of Argyll in Council will send a copy of your letter to the Government of India, and again request the early attention of that authority on the subject.—I am, Sir, your obedient Servant,

M. E. GRANT DUFF.

To the Acting Honorary Secretary, East India Association.

## APPENDIX B.

### *Consultative Committees in India.*

THE following letter has been addressed by the Council to the Under-Secretary of State for India, and its receipt has been duly acknowledged :—

November 21, 1873.

*To M. E. Grant Duff, Esq., M.P., Under-Secretary of State for India.*

SIR,—It having been intimated in the fourth paragraph of the Third Report of the Select Committee of the House of Commons on Indian Finance, that the Committee “trust their inquiry will be brought to a close next Session,” the Council of the East India Association desire, ere it be too late, to very respectfully submit to his Grace the Secretary of State for India the following considerations :—

1st. The Council, while expressing their grateful sense of what has been done by

the Government of India towards obtaining fuller information on the important questions which form the subject into which the Select Committee of the House of Commons are appointed to inquire, and while recognizing the advantage of examining the Native gentlemen who are to appear as witnesses next Session, are still of opinion that so vast a subject as the Finance and Financial Administration of India will still demand further elucidation.

2nd. It is felt that when the present Committee of the House of Commons has finished its labours, it is more than probable that an interval of some years will elapse before Indian Finance will again become the subject of a similar investigation; and that measures which may be fairly and reasonably adopted now, while the Committee is still sitting, might subsequently be attended with various inconveniences not now attaching to them.

3rd. The Council would therefore suggest that the present is a favourable opportunity for appointing at all the great centres throughout India "Consultative Committees," formed partly of Europeans and partly of Natives, to make and receive suggestions as to the matters which form the subject of inquiry of the Select Committee of the House of Commons. The Council desire to call attention to the fact that a step of that kind has been suggested by a high authority, in his evidence before the Select Committee, under the name of Provincial Councils, though he appears to recommend the establishment of such Councils *en permanence*, while what is here suggested would be a temporary and experimental measure. The Council think that much valuable information might be acquired through these Consultative Committees as to localities which must necessarily be entirely passed over if the evidence be restricted to the small number of Native witnesses who can be examined in this country. They apprehend, too, that this measure need not delay the Report of the Select Committee, as the reports of the Committees in India might form a supplement to the Minutes of Evidence; or, should there be delay, the Council would submit that there would be ample compensation for this evil in the valuable additional information which would be thus acquired.

4th. The Council would express their hope that the extreme importance of the subject will be considered by his Grace to justify this further representation of their views regarding it.—I have the honour to be, Sir, your most obedient Servant,

W. C. PALMER, Hon. Secretary.

*Answer to the above Letter.*

India Office, January 6, 1874.

SIR,—I am directed to acknowledge the receipt of your letter of the 21st November last, and to acquaint you in reply that it has been duly laid before the Secretary of State for India in Council.—I am, Sir, your obedient Servant,

(Signed)

HERMAN MERIVALE.

Captain W. C. Palmer.

## APPENDIX C.

*To His Grace the Duke of Argyll, Her Majesty's Secretary of State for India in Council.*

The Memorial of the Council of the East India Association

Most Respectfully Sheweth :—

1. That a Bill, No. 21, of 1873, entitled "A Bill to limit the Jurisdiction of the Civil Courts throughout the Bombay Presidency in matters relating to Land Revenue," has been introduced into the Legislative Council of India, against which a Memorial has been presented to the Governor-General of India by a number of the Native inhabitants of Bombay; and that your Memorialists would venture most respectfully, on the grounds herein stated by them, to support the prayer of the said Memorial.

2. That the reason assigned for the passing of this Bill seems to your Memorialists to be one of the strongest arguments against it; for it has been avowedly brought in in consequence of an assessment made by the Survey Officer under the 25th Section of the Bombay Act of 1865 having been reduced by a Civil Court; yet, on turning to the case, it is perfectly clear that the Civil Court was right and the Survey Officer wrong in the view they severally took of it. If the proposed law had then existed, the wrong would have been without a remedy, and the injured party would have been shut out from all chance of redress.

3. That the special point on which the decision of the Court turned—viz., that the assessment had not been made in accordance with ancient custom, as laid down in the Regulations—was one eminently fitted for a legal tribunal to adjudicate on.

4. That, apart from this particular case, your Memorialists are of opinion that nothing could tend more to create dissatisfaction than the union in one and the same officer of executive and judicial functions. He thus becomes virtually the judge in his own cause, and too often but the more firmly adheres to his first view the more strongly and the more justly it may be impugned by those affected by it.

5. That if the appeal under the present law lay from a more competent tribunal to one less competent, there might, your Memorialists think, be some reason for the proposed change; but, instead of that, the very reverse is the case. The appeal, as matters stand, is from the decision of men who may be excellent Revenue Officers or Surveyors, but who, from the total absence or any legal knowledge, are necessarily little skilled in the interpretation of laws and regulations, to a tribunal whose whole faculties are habitually devoted to the elucidation of such questions.

6. That the power of appeal to the Civil Courts, given to the people as the law stands, but which the proposed Bill would take away, can never be abused, both because of the cost every appeal case necessarily involves, and because of the obvious

uselessness of it when the appellant has not clearly right on his side. But were it not so, your Memorialists think it better that any inconvenience arising out of this source should be borne by the Government, rather than that the people, by being deprived of this appeal, should labour under a sense of injustice, and a feeling that the Government closed the door of the Appeal Courts in their faces because it knew it would be beaten there—a feeling which, rightly or wrongly, would be sure to prevail.

7. That your Memorialists would observe that, in cases relating to Land Revenue in Bombay, the course of legislation has recently been totally different from that which is now proposed to be adopted by the Supreme Legislative Council of India.

8. That under the Code of 1827, for instance, certain judicial powers were reserved to the Revenue Officers, who were constituted into Revision Courts for certain purposes. They could decide rent suits, boundary suits, suits about water-courses, and tenures. This went on till 1838, when by the Act XVI. the power of Revenue Officers was curtailed. All tenure suits were transferred to the Adaulut, or Civil Courts proper, and the civil power of the Revenue Courts was reduced to the cognizance of rent suits and summary suits for possession. In course of time, however, the system underwent a further change. The anomaly of investing certain executive officers with civil powers was condemned. It was thought that, whatever the reasons for sending certain classes of cases to Revenue Officers in the first instance, with a final appeal to the Superior Court, might have been in 1827, the improvement of our judicial machinery had advanced so far as to justify the abolition of that anomaly. Accordingly, a law was proposed to carry this object into execution. This was known as the Revenue Courts Bill. It was introduced into the Bombay Council by the Hon. Mr. Ellis himself, with the following remarks :—

“The Hon. Mr. Ellis, in moving the first reading of the Revenue Courts Bill  
 “‘to divest Courts of Revenue of jurisdiction in certain cases, and to vest such  
 “‘jurisdiction in the Courts of Civil Judicature in the Bombay Presidency,’ said  
 “‘that when the Judicial Courts were first established, it was supposed that Revenue  
 “‘Officers would be better able to dispose of the class of cases described in Chapter  
 “‘viii. of Regulation XVII. of 1817, than the Civil Courts. It was felt that the  
 “‘latter Courts, from their want of local knowledge, would not be able to extend that  
 “‘protection to the cultivating classes of which the latter, from their ignorance,  
 “‘stood in special need. The ryots, however, are now much improved in their  
 “‘social position, and were quite able to take care of their own rights. The character  
 “‘of the Civil Courts had also been raised; and it was the general opinion that  
 “‘they could be safely invested with jurisdiction in cases between the ryot and the  
 “‘superior holder. The present Bill would not affect the Bombay Act v. of 1864,  
 “‘nor the Survey and Settlement Act.”

9. That on these grounds the Bombay Legislative Council passed Act II. of 1866, to divest Revenue Courts of their jurisdiction in land cases, and to confer such jurisdiction on the ordinary Civil Courts in the Bombay Presidency.

10. That later still, in passing the City Survey Act, in 1868, that measure was

so modified as to retain the powers of the Civil Courts to take cognizance of the acts of the Collector in respect to the title to any town or city lands, or in respect to the assessment on such lands.

11. That so recently as October, 1868, Sir Henry Maine, the late able and accomplished legal member of the Council of India, urged the necessity of enacting well-defined and fixed laws, in preference to investing executive officers with discretionary powers, which are apt to be exercised to the detriment of the interests of the people. He made the following observations, which are worthy of consideration :—

“ While I admit that the abridgment of discretion by written laws is to some extent an evil, though under the actual circumstances of India an inevitable evil, I do not admit the proposition which is sometimes advanced, that the Natives of India dislike the abridgment of official discretion. This assertion seems to me not only unsupported by any evidence, but to be contrary to all the probabilities. It may be allowed that in some cases discretionary government is absolutely necessary ; but why should a people which measures religious zeal and personal rank and respectability by rigid adherence to usage and custom, have a fancy for rapid changes in the action of its governors, and prefer a regimen of discretion sometimes coming close upon caprice, to a regimen of law ? I do not profess to know the Natives of this country as well as others, but if they are to be judged by their writings, they have no such preference. The educated youth of India certainly affect a dislike of many things they do not care about, and pretend to many tastes which they do not really share ; but the repugnance which they invariably profess for discretionary government has always seemed to me genuinely hearty and sincere.”

12. That it is apprehended that the withdrawal of the jurisdiction of the Civil Courts in matters relating to Land Revenue will enable the Officers of the Survey Department to levy assessments in excess of amounts which are limited and fixed by agreement or usage. Thus illegal acts and violations of the rights of private property might be committed, and the people would be deprived of the means of obtaining redress by appealing to independent judicial tribunals in which they have confidence. At present several cases are pending in the High Court of Bombay, in which the executive officers of Government have demanded an extravagant enhancement of the assessment over and above the amount permanently fixed in the time of Sir Thomas Munro, in the province of Canara. Such cases would be removed from the cognizance of that tribunal, and the unfortunate landowners would be completely in the power and at the mercy of the Survey Officers, if the proposed Bill were passed.

13. That your Memorialists would submit that the power of appeal against the acts of the Government or public officers in India should be rather extended than curtailed, so as to embrace every rank and every kind of case, and afford a remedy to all for every possible species of wrong. This appears to your Memorialists to be the inherent right of all Her Majesty's subjects there, however high or however low, and at the same time the surest safety-valve against disaffection which a Government

can have. In nine cases out of ten the dangerous element in India—as, perhaps, everywhere—consists of persons who have, or who consider themselves to have, suffered wrong at the hands of the State officials, and who, from some cause or other, have been denied every means of obtaining a hearing of their case, and a consequent chance of redress.

14. That your Memorialists feel this to be of special importance at the present time, when it is notorious that a strong and growing feeling of discontent has lately been spreading itself throughout India among those who are, from their position, debarred from the privilege of public and impartial investigation, and who, from their more frequent intercourse with the English, have learned to understand and appreciate the importance of publicity in the adjudication of their rights. At such a time the withdrawal of a privilege hitherto enjoyed—and that in the interests only of the Government—appears to your Memorialists to be singularly inexpedient and objectionable.

Wherefore your Memorialists, the Council of the East India Association, humbly pray that your Grace in Council, taking the premises into consideration, will adopt such steps as may be deemed expedient by your Grace to prevent the passing of the said Bill, or for the disallowing of it if it should be passed, under the powers possessed by your Grace in Council.

And your Memorialists will ever pray.

(Signed) E. B. EASTWICK,  
Chairman of the Council of the East India Association.

20, Great George Street, Westminster,  
February 13, 1874.

# RULES.

## I.—OBJECTS OF THE ASSOCIATION.

*Article 1.* The EAST INDIA ASSOCIATION is instituted for the independent and disinterested advocacy and promotion, by all legitimate means, of the public interests and welfare of the Inhabitants of India generally.

## II.—MEMBERS.

*Article 2.* The Association shall consist of Resident and Non-Resident Ordinary and Honorary Members.

*Article 3.* Honorary Members shall have the same rights and privileges as Ordinary Members.

*Article 4.* Honorary Members shall be nominated by the Council at any Ordinary Meeting, and shall consist of persons who have distinguished themselves in promoting the good of India.

*Article 5.* Ordinary Members shall be nominated in writing by two Members of the Association, and elected after ten days' notice of such nomination, at the next General Meeting of the Council, if approved by a majority of two-thirds present thereat.

*Article 6.* The Election of every Member, both Ordinary and Honorary, shall be recorded on the minutes of the Council; and the Secretary shall forthwith notify, by letter, his election to the Member, and request such Member to furnish a standing order on his Banker for his Annual Subscription.

*Article 7.* Ordinary Members shall pay an Annual Subscription of 11., or 10 Rs., on the 1st January in every year; or may compound for the same by payment of 100 Rs., or 10*l.*, which shall constitute a Life Member.

NOTE—Total Annual Subscription, including Journal (delivered free of postage) £1 5 0  
Life Subscription ditto ditto 14 0 0  
Annual Subscription (including Journal), in India..... 13 Rupees 8 Annas.  
Life Subscription ditto ditto..... 150 „

## III.—MODE OF MANAGEMENT.

*Article 8.* The Management of the Association shall be vested in a Council, consisting of a Chairman, Vice-Chairman, and Thirty-three Ordinary Members; Five to form a Quorum; and Eight to retire annually by Rotation, but eligible for re-election at the Annual Meeting.

*Article 9.* A President of the Association shall be appointed at the Annual Meeting; and the Council may, from time to time, nominate distinguished Indian Statesmen, or others, as Vice-Presidents, subject to the confirmation of the next Annual Meeting of the Association.

*Article 10.* The Council shall appoint a Secretary, and such other Employés as may be necessary, and fix their Salaries and Emoluments.

*Article 11.* The Council may fill up Vacancies in their own body, until the next Annual Meeting of the Association.

## RULES—(continued).

*Article 12.* The Council shall meet on the First Wednesday in the month; but the Chairman, Vice-Chairman, or any three Members of the Council may at any time convene a Meeting by giving three days' notice.

*Article 13.* The Council may appoint Special Sub-Committees of not less than Five Members of the Association, three of whom shall form a Quorum.

*Article 14.* At the desire of Five Members of the Council, or on the written requisition of Ten Members of the Association, the Secretary shall convene a Special Meeting of the Association.

### FUNCTIONS OF THE OFFICERS.

*Article 15.* The President, or, in his absence, any Vice-President, or in the absence thereof, any Member, shall preside at the Annual or Ordinary Meetings of the Association.

*Article 16.* The Chairman or Vice-Chairman of the Council, or, in their absence, any Member thereof nominated by those present, shall preside at the Meetings of the Council.

### ANNUAL MEETING.

*Article 17.* The Annual Meeting of the Association shall be held in the month of May in every year.

*Article 18.* General Ordinary Meetings of the Association for promoting the interests thereof, and for the discussion of subjects connected with India, shall be held at such times and places as the Council may appoint.

*Article 19.* A statement of the Accounts of the Association shall be prepared, audited by one of the Members of the Council and one Member taken from the general body of the Members of the Society, and circulated with the Report of the Council to each Resident Member, ten days before the Annual Meeting.

### LOCAL COMMITTEES.

*Article 20.* Local Committees shall be appointed in India by Local Subscribers, subject to the approval of the Council; and the co-operation of independent Local Associations in India is invited by the "East India Association."

### BYE-LAWS.

*Article 21.* The Council shall have power to make and alter any Bye-laws for the Management of the Association.

### ALTERATION OF RULES.

*Article 22.* No addition to or alteration in these Rules shall be made, except at the Annual Meeting of the Association, previous notice being given in the Circular convening the Meeting.

### JOURNAL OF THE ASSOCIATION.

*Article 23.* The Council may, in their discretion, publish, quarterly or otherwise, a Journal, containing a Report of the several General and other Meetings of the Association. Papers submitted for discussion shall be published *in extenso*, or not, as the Council may decide.

THE  
**EAST INDIA ASSOCIATION**  
 FOR THE PROMOTION OF ALL PUBLIC INTERESTS OF INDIA,  
 20, GREAT GEORGE STREET, LONDON, S.W.

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The Council trust that Members will exert their influence to increase the number of Subscribers and otherwise assist in promoting the important object for which the Association has been established.

Although some of the Princes and other Natives of Western India have of late accorded to the Association a liberal pecuniary support, yet its income falls considerably short of that necessary to place it on a permanent footing, and increase its sphere of usefulness.

It is hoped, therefore, that Members will individually aid the Council in this respect, by means of donations, presents of books for the increase of the Library, &c.

Resident Members are furnished with Blank Tickets of Admission to the Lectures, for the use of their friends.

Indian, English, and Vernacular Newspapers, as per List, are received and filed in the Reading-room of the Association, in addition to the leading Daily Papers of the Metropolis, and several Weeklies.

The use of the Reading-room and Library is free to Members, who can also have their letters addressed there.

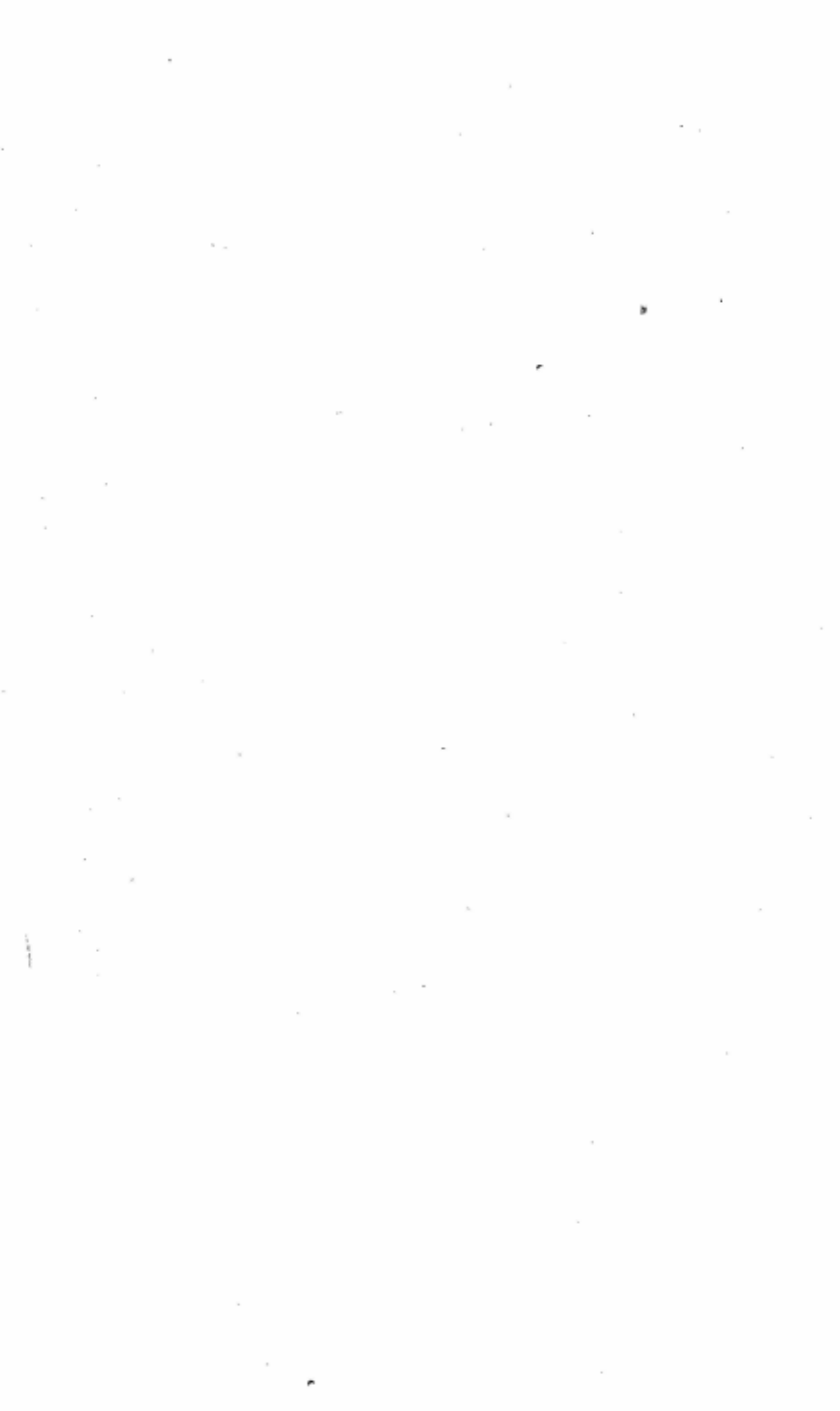
The Secretary will be happy to forward Application Papers, Rules, &c., or give any other information desired.

## *Memorandum.*

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At the last Annual Meeting Sir M. Coomara Swamy's motion was seconded by Colonel French, not by Sir G. Le Grand Jacob, who spoke in support of Mr. Tayler's motion. Members are requested to correct page 155, Vol. VIII, by inserting the following passage accidentally omitted in printing the Report:—

Mr. W. TAYLER (late Commissioner of Patna), in moving a vote of thanks to the Chairman, said that, in placing it before the meeting, he was sure it would be carried, not as a mere empty compliment, but as expressive of the Association's deep sense of the valuable services he had rendered by his connection with it. It was a matter of profound regret to the friends of India that Mr. Eastwick, with his high character and wide knowledge of India, was not still in Parliament, rendering valuable service, as before, to the East India Association, and to the objects they were associated to promote. How much remained to be done, how great was the field the Association was formed to occupy, had been in some degree indicated by Mr. Nowrojee Furdoonjee, and it was exactly true that in what little the Association had done in the past they had been largely aided by Mr. Eastwick. (Hear, hear.) He was not without hope that the Association, with more liberal help, might bring about the accomplishment of essential reforms in India, although they must not be too ambitious and think they could do by one stroke what could only be accomplished by slow degrees and step by step, and in the course indicated by reason and justice.



JOURNAL  
OF THE  
EAST INDIA ASSOCIATION.

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*Summary of the Operations of the East India  
Association from its Foundation.*

ALTHOUGH the East India Association has now, for nearly seven years, consecrated its best efforts to the promotion of the interests of the people of India, it has not received that degree of support from the classes most deeply concerned in its useful action which it had reason to expect, and to which it may honestly lay claim. In all likelihood, this comparative indifference to the exertions of the Association has arisen from an insufficient acquaintance with the great objects of its existence, upon the part of the opulent and intelligent inhabitants of the central, eastern, and southern parts of India. The inference is justified by the generous reception given in Western India to the distinguished delegate, Mr. Dadabhai Naoroji, the present Dewan of the Guicowar of Baroda. It can hardly be doubted that when a knowledge of what the Association has accomplished, and is capable of still further achieving under an enlargement of its powers, is generally diffused, there will be manifested an ardent desire in the localities in question to contribute a liberal portion of assistance corresponding with what has been heartily accorded elsewhere. Under this impression, the following summary of the proceedings of the Association from its inception to the present hour has been prepared, and is submitted in the hope of its proving a sufficient encouragement to the influential classes in India to arm it with the means of largely extending its sphere of usefulness.

It was in March, 1867, that the East India Association held its first annual meeting. For several months previously the founders and Com-

mittee of the Association had been occupied in the work of organization, and on the 14th of March it was enabled to announce that six life members and 125 annual members had been enrolled. Promises had been received from India of a further accession of support; and thus fortified with the possession of certain means, and the expectation of an addition thereto, active operations were commenced. Lord Lyveden, who had a competent knowledge of Indian affairs, and had been President of the late India Board, accepted the office of President, and he was sustained by a Committee or Council, consisting of a large number of noblemen, officers of high rank, and gentlemen—Natives of India, as well as Europeans, who were well acquainted with India and her wants.

The leading principles and purposes of the Association were declared to be "the union of England with India," by the dissemination of knowledge regarding the latter country, the free discussion of her affairs, the establishment of a communication with Parliament, and the protection of Native Princes (and others who might come to England with personal objects in view) against the wiles of unscrupulous and incompetent agents. The Association disavowed the championship of exclusive cases. All who might appeal to it for assistance would find it a cordial and ready friend, with no special purposes of its own to serve.

As the reception of papers and the discussions to which they might lead was declared one of the chief means of accumulating reliable information respecting the people of India, their condition and wants, Mr. Dadabhai Naoroji, of Bombay, who had been mainly instrumental in establishing the Association, read the first paper on "England's Duties to India." It professed to offer a faithful representation of the views and sentiments of the Natives, and invited a consideration of the practicability of the long continuance of British rule with satisfaction to the people at large. These and all other papers were recorded in the spring.

By July, 1867, the Association numbered 300 members. A terrible famine having devastated a large part of Southern India in the previous year, General Sir Arthur Cotton brought forward the subject of Irrigation and Water Transit. He held it to provide the best means of preventing famines in the future. The paper which Sir Arthur read on that subject was able, comprehensive, and conclusive. He had addressed the Imperial Government on the subject a year previously, but his solemn warnings were disregarded. "There was no reason," said the Secretary of State, "to apprehend any great famine in the lower provinces of Bengal." The following year illustrated the prescience of Sir A. Cotton and the fatal incredulity of the Government. Orissa was the scene of frightful suffering. The incident went far to establish the importance of the East

India Association in reviving and keeping alive a subject which had been so fatuously neglected by the Home and India Governments.

An attempt having been made to include Colonial affairs in the operations of the Association, the majority of the members were of opinion that it would interfere too much with the higher interests of India if a wider scope were given to the Association. It was therefore determined to limit its consideration to India and China, retaining the exclusive appellation which had been adopted in the first instance.

A paper on the subject of the Treaty existing between the Government of India and the Mysore State, and the discussions which issued upon it, demonstrated the desire of the Association to deal fairly with all questions of interest to the Native feudatories and independent chiefs. Much light was thrown upon the subject of Treaties generally by the enlightened Sir G. LeGrand Jacob, one of the ablest diplomatists India had ever known; and the action of the Secretary of State in reference to Mysore was generally endorsed.

The question of a Representative Government for India came under discussion, and elicited valuable opinions; and it was quickly followed by a paper from the indefatigable Mr. Dadabhai Naoroji, urging the admission of the Natives of India into the Civil Service. The effect of the latter paper was to cause a petition to be addressed to the Secretary of State, and a deputation waited with it upon Sir Stafford Northcote, who admitted the great importance of the subject, and promised it his best consideration.

The year 1868 opened with a gratifying addition to the numerical strength of the Association. Nearly 600 members had been enrolled. In the course of the year the important subjects of a representation of India in Parliament (revived by Mr. E. B. Eastwick, C.B.) and the admission of the Natives to a share in the Government and access to the Civil Service, were resumed and discussed with much earnestness. The financial relations of India and England were likewise brought on the *tapis*, and underwent much careful deliberation. This last important question was followed up by a deputation to the Secretary of State to urge the appointment of a Royal Commission to inquire into the matter; and it is almost needless to say that although the Secretary of State did not yield the point as regards a Royal Commission, because of the numerous questions which it involved, the agitation thus begun by the Association resulted ultimately in the formation of a Parliamentary Committee of Inquiry.

At the close of 1868 the Association returned to the vital subject of Irrigation. Lord Mayo was on the point of leaving England to assume the government of India, and the occasion was considered opportune for

pressing the matter upon his consideration; and this was followed up by a deputation to the Duke of Argyll (who had become Secretary of State for India), for the purpose of strengthening the pressure. Lord Lyveden headed the deputation, and Mr. W. Tayler enforced the appeal by an eloquent dissertation on the blessings of irrigation. "By a rare and felicitous combination," said Mr. Tayler, emphatically, "it comprises all the elements which usually are required by a wise and cautious Government." Other members, two of them members of Parliament, addressed the Duke, and he went the length of admitting the policy of spending money on irrigation works "when and where they could be made remunerative." His Grace seemed to be in great fear of increasing the public debt.

At the first meeting of the Association in January, 1869, the subject of the "Material Improvement of India," which again embraced the question of irrigation, was brought forward by Mr. Login, C.E.; and in the ensuing February the same theme was enveloped and well treated in an essay on the condition of the Godavery district. In the month of July the terms which should regulate the admission of the Natives to the Indian Civil Service were revived by the patriotic Mr. Dadabhai Naoroji. The feeling was that the system of open competition for appointments involved unfairness to the Natives in limiting the examinations to London. The assistance of Mr. Fawcett, M.P., was invoked to bring the subject before the House of Commons. In October of the same year Mr. Hyde Clarke, F.R.S., entered the field with a paper on "Transport in India, in reference to the Interests of England and India," which led to an animated discussion regarding the respective value of railways and water-works, Sir A. Cotton maintaining the superior utility of the latter. The Bombay Cotton Act was the last subject which engaged the attention of the Association in 1869; and a reference to the debates elicited thereon will show how boldly and intelligently every subject affecting the welfare of India was grasped and investigated by the Association.

The Public Works of India are so closely interwoven with the prosperity of the country, that the Association did not hesitate, in 1870, to encourage the assertion of sound doctrines by members who had devoted much attention to the subject. Sir Arthur Cotton introduced it with reference to a "proposed additional expenditure of 100,000,000*l.* on railways." Three evenings were devoted to an examination of the question. Many members, of high authority, entered warmly into the discussion, which, naturally, comprehended a reference to the vast utility of canals. At a later period the Association enjoyed the advantage of the assistance of Sir Bartle Frere on the same theme. Sir Bartle formally

proposed the raising of loans, by way of creating capital for public works, and the discussion raised on this point was succeeded by an able paper, by Sir Charles Trevelyan, on "The Finances of India," which underwent much intelligent consideration. The result, indeed, of this particular discussion was a resolution to memorialize Parliament to appoint Select Committees of both Houses to make a searching inquiry into the general administration of Her Majesty's Indian territories. "The Relation between the Native States and the British Government," and the "Delay of Justice, to Indian Appellants in England," were introduced in the course of the year, and thoroughly ventilated by the well-informed members who followed Mr. Prichard and Mr. Tayler, who originated the questions in able papers.

"The Deficiencies in the Present Administration of Hindu Law" was the title of the last paper read in 1870. It stands upon the records as an evidence of the readiness with which all such subjects are considered by the Association, but its length and the profound learning brought to bear upon the question prevented its undergoing much discussion at the time.

Many other matters of importance, less directly bearing, however, on Native interests, were brought forward and digested in the course of the year 1870. And it should not be overlooked that a movement had been previously made at Bombay for affiliating the Native Association in that important and populous town with the East India Association.

The "Commerce of India" received early and minute attention at the hands of the Association in 1871. To the ever active Mr. Dadabhai Naoroji was due the credit of bringing the subject forward. If the views which he entertained were not generally adopted, a proper tribute was paid to the great interest of the subject in the lively debate which followed and occupied two evenings, Sir Bartle Frere presiding on each occasion. Immediately upon the heels of that discussion, the great financial (India) question underwent renewed examination, and about the same time the petition which it had been determined to present to the House of Commons regarding the administration of India, was presented by Sir Charles Wingfield.

Early in 1871, the Association had acquired so fair a renown that the members numbered 1,000. Its influence had also begun to be felt in the House of Commons; for, when Indian subjects were brought on the *tapis*, several members, inspired by the Association, spoke with an evident knowledge of the wants and wishes of the people, and endeavoured to enforce them.

As one of the most important elements in the moral prosperity of India, "Popular Education" received attention at the instance of Mr.

William Tayler, who read an extremely valuable paper, showing that the education of the lower classes is not incompatible with the instruction of the higher. The introduction of this theme brought forward several members of rank and profound knowledge, including Sir Donald Macleod, Dr. Wilson, of Bombay, and others who had not previously appeared. The accession of these gentlemen proved that the East India Association was able to manifest strength upon any question that might arise affecting the welfare of the people.

A subject which had often presented itself to the minds of the members of the Association—viz., the “Means of Ascertaining Public Opinion in India”—was brought forward in 1871. Major-General Sir Vincent Eyre justly described it as one of the most important problems affecting the well-being of the great Indian Empire. Sir Bartle Frere inaugurated a lively discussion of the subject in a speech of great force and brilliancy. The solution of the problem is to this moment a difficulty, but great light was thrown upon the question by the speakers who followed Sir Bartle Frere. Ultimately, it was determined to seek the co-operation of accomplished Native gentlemen in the settlement of the problem, and it is hoped that, through those means, some line of action can be arranged which shall guide the East India Association in its future efforts for the good of the Indian community.

Indirectly connected with the foregoing subject is the “Representation of India in Parliament.” The arguments in its favour could not be too often iterated, and although, as will have been seen above, it had been frequently considered by the Association, it was again introduced early in 1872.

The great importance of a ship canal between India and Ceylon, as a means of shortening the voyage between England and India, and securing the establishment of a safe and commanding harbour for large ships and steamers, infinitely preferable to the harbour of Point de Galle, had long engaged the thoughts of Sir James Elphinstone, M.P. Nothing, however, having been practically attempted by the Government, Sir J. Elphinstone invoked the co-operation of the Association, and showed that, besides the advantages referred to above, large supplies of rice from Tanjore could more easily be obtained at Ceylon through the proposed canal than through the Paumben Channel. The benefits were so obvious, and the expense of constructing a new ship canal so very small compared with the vast sum spent on the Suez Canal, that the Association at once adopted the idea of Sir J. Elphinstone, and a large number of gentlemen were deputed to communicate personally with the Duke of Argyll on the subject. The Duke admitted the value of the canal, but as the work was not exclusively an Indian one, he thought that the expense should

be shared by the Colonial and the Imperial Governments. The matter was then left in his hands.

The Association listened with pleasure, at the commencement of 1872, to an excellent paper by Mr. I. T. Prichard, who took a perfectly new and original view of the subject of the claims of the Natives of India to representation in Parliament. His contention was that the permanence of the union between England and India depended entirely upon the recognition (practically) of the people, who contribute many millions annually to the British Exchequer, to a voice in the supreme public direction of the affairs of their own country. Much valuable light was thrown upon the subject by Sir Vincent Eyre and Mr. James Wilson, the Editor of the *Indian Daily News*; the former showing that the natives of the French possessions in the East Indies are represented in the Paris Assembly, and the latter admitting the principle of representation and luminously exposing the difficulties that beset the arrangement.

Although no direct action was taken upon the questions which received attention during the remainder of the year 1872, the Association, nevertheless, held its regular monthly meetings, at each of which papers turning upon the vital interests of India were read and commented upon by men of rare intelligence, who possessed a competent acquaintance with the wants of the people. "Trust as the Basis of Imperial Policy" was the theme of Major Evans Bell; the "Best Means of Educating English Opinion on Indian Affairs," formed the subject of a paper by Mr. Chesson; and the "Law of Mahomedan Inheritance" was brought on the *tapis* by Mr. Almaric Rumsey, a barrister-at-law.

The operations of 1873 were inaugurated by a lecture on the "Central Asian Question," which was speedily followed by one of more direct concern to the Natives of India—namely, "The Land Question." This was treated at large by Colonel Rathborne, an officer of great distinction, who had deeply studied the policy of the Anglo-Indian Government, and had written much with the view of educating public opinion on India. Differences of sentiment rendered an adjournment of the discussion indispensable. The "Land" is still a *vexata questio*, which can only be settled when it has been sifted and examined, and differences of opinion reconciled and adjusted. The agitation of the subject by the Association sufficiently demonstrates its anxiety to ventilate all laws, regulations, and institutions which have injurious operation in India.

A striking proof of the success attending the unceasing endeavours of the Association to interest the House of Commons in the financial condition of India, was apparent in an intimation from the Finance Committee of its desire to receive the evidence of intelligent Native gentlemen on

points of importance relating to the government of the country. Two Parsee gentlemen, of remarkable talents and attainments, were accordingly deputed to attend the Committee. One of these, Mr. Dadabhai Naoroji, had been an invaluable member of the Council of the Association, as has been shown in former parts of this Summary, adding to his intelligent communications great personal activity in moving the Princes of Western India to afford liberal pecuniary aid to the Institution. The other, Mr. Nowrojee Fardoonjee, was the Secretary of the Bombay Association, and a person peculiarly qualified, by his extensive knowledge and reasoning faculties, to give valuable information to the Finance Committee. Revenue, taxation, and expenditure were the branches of inquiry on which the Parsee gentlemen were prepared to speak, and the East India Association cheerfully joined with the Association in Western India in getting these two gentlemen to visit England.

The Famine, which threatened to devastate Behar and reduce nine millions of people to starvation, was the signal for prompt action on the part of the East India Association. If it could not arrest the pending calamity, or contribute to a fund for the relief of a famishing people, it was at least its bounden duty to enlighten the public on the best means of alleviating suffering, and averting such catastrophes for the future. Mr. W. Tayler, formerly Commissioner in Patna, was foremost to give the Association the benefit of his experience, by his paper on "Famines in India—their Remedy and Prevention." The delivery of this paper, and the discussions which ensued, closed the work of the Association in 1873.

This rough sketch of what has been accomplished by the East India Association may be fitly closed with a reference to an excellent paper read before it by Mr. R. H. Elliot, on "Our Indian Difficulties, and the Way Out of Them." The gist of this paper was the necessity for encouraging manufactures in India by the Natives themselves. The efforts of the Association to diffuse information and insist upon an enlightened policy towards the Princes and people of British India will be zealously continued, and essentially stimulated and increased, if a generous assistance be extended to the Association by the wealthy and influential classes by whom this Summary may be read.

In the foregoing enumeration of the labours of the East India Association no account has been taken of the numerous discussions that have arisen on questions which had only an indirect bearing on the welfare of the people of India. The claims of the officers of the Indian Army, the "Disputed Succession in Afghanistan," and other subjects more or less mixed up with the affairs and commerce of India, have, from time to

time, engaged attention, eliciting opinions and information from intelligent statesmen, civil and military officers, barristers, and British merchants of wide experience. But the wants, the wishes, the rights, and the interests of the vast population which looks to Great Britain for good government and protection, have claimed prominent consideration, and must ever be the foremost objects of an Association formed expressly to echo the sentiments of an otherwise unrepresented community. And let it be ever present to the minds of the Princes and People of India that the Association is not composed of persons who merely cherish good-will towards their fellow-subjects abroad ; it is an assemblage of many of the most enlightened noblemen, independent gentlemen, Members of Parliament—who have acquired a competent knowledge of India, her claims and necessities, either from study or actual experience—Governors, Judges, Commissioners, Envoys, Military Commanders, Revenue and Judicial Officers, Journalists, residents for many years among the people, Merchants, and Native gentlemen of education and rare intelligence. Their names, which are published from time to time in the Journal of the Association, are a guarantee that they understand the work they have taken in hand, and are at all times ready and willing to perform it conscientiously.

### *Indian Political Economy and Finance.*

Paper by Major-General MARRIOTT.

READ AT THE MEETING HELD AT THE ROOMS OF THE ASSOCIATION,  
WEDNESDAY, NOVEMBER 25, 1874.

SIR CHARLES WINGFIELD, K.C.S.I., C.B., IN THE CHAIR.

AMONGST those present were Mr. Henry Cope, Mr. Hurrey Chintamon, Mr. W. S. Fitzwilliam, Mr. Thomas Boyall, Colonel French, Dr. D. H. Small, Mr. F. Mathews, Mr. C. Meenacshaya, Mr. H. H. O'Farrell, Mr. A. H. Campbell, Major Barkerhouse, Colonel Montagu, Mr. H. W. Truelove, Colonel Rathborne, Mr. J. S. White, General C. W. Tremenhare, Major-General D. G. Anderson, Mr. Ventatakrishnama Naidoo, Mr. N. Subrahmanyam, Mr. A. C. Mitra, Mr. J. T. Zorn, Dr. G. W. Leitner, Rev. J. Long, Captain W. C. Palmer (Hon. Secretary), &c.

The CHAIRMAN, in opening the proceedings, explained that the object of the meeting was to discuss some suggestions of Major-General Marriott on the subject of "Indian Political Economy and Finance ;" and,

to speak frankly, had he been afforded an opportunity of seeing what General Marriott was about to submit, he would have had some hesitation in accepting the invitation to preside, for the subject of Political Economy had small attractions for him, and therefore he did not feel himself competent to speak about it. He offered these remarks in apology to those who might expect him to enlarge on the topic to be discussed, whereas it was not his intention to speak at any length; and he had the less diffidence in resolving on this course when he saw present many gentlemen who were perfectly able to sustain a profitable discussion on the matter. With this excuse for his own insufficiency, which he hoped would be accepted by the meeting, he would call upon General Marriott to address them on the subject of "Indian Political Economy and Finance."

Major-General MARRIOTT prefaced his address by explaining that it was extremely difficult in so short a space to pass in complete review the financial administration of India, and he was fully conscious of his inability to make an inherently dry subject sufficiently attractive to repay the meeting for their attendance. He then proceeded with his paper, which was as follows:—

The subject on which I am about to speak is Indian Political Economy and Finance. I shall restrict my remarks to those points of economy which touch the duty of the State.

It is needful, in the first place, to have a well-defined conception of the general problem, irrespectively of the modes of solving it.

I desire to insist especially upon the poverty of India. It is one of the most significant and patent facts, yet it is one to which a large number of responsible people remain practically blind.

The wealth of any people consists in, and is measured by, the degree to which the labour of a few provides the necessaries of life for many, so freeing the labour of the rest of the community to provide comparative luxuries, or to be employed in non-productive ways. In India, the persons who are freed altogether from the necessity to labour are very few indeed. The greater part of the population is engaged in the production and distribution of the barest necessities of food and clothing. The artisans are comparatively few. A large part of the women do the work of millers. The proceeds of an income-tax of 2½d. in the pound, in India, levied on incomes of 100*l.* and upwards, amongst 200,000,000, was 825,241*l.* In England, every penny in the pound levied on similar incomes, amongst 30,000,000, gives about 1,500,000*l.* A salt duty, which amounts to probably about 7d. a-head per annum, is a heavy tax.

This great poverty of India is a fact to which a large number of responsible people in India remain practically blind. Its ill-effects are

much aggravated by the Government of India being administered by the most wealthy people in the world. Those who press expenditure on the State do so, for the most part, according to English wealthy notions. We send, to maintain our supremacy in India, an army of unparalleled costliness; and we have made railways with as little regard to cost as a rich man makes a carriage-drive to his house. We have a notion that it pays to do everything in the most costly way—a notion which a poor country like India can no more apply in exactly the same way as a rich country like England, than a poor man can apply it to his own personal expenditure in the same manner as a rich man. We have an inevitably costly administration. Whatever England touches she makes costly to India, with one important exception—an exception of infinite value, if rightly used; an exception which is at once India's great economic resource and special economic danger. The connection with England enables India, one of the poorest countries, to borrow as if she were the richest. She can borrow at 4 per cent. (and even less, if the unjust exclusion of her from the English market, on the same terms as any other nation, were withdrawn); whereas, but for her connection with England, she would have to pay double, or more. In this, I repeat, is India's special resource and special danger, and I shall revert to it presently; I am now only stating the problem.

With advertence to the definition of wealth which I just now gave, I repeat that, draw the line of "necessaries of life" where you will, the wealth of a country consists in the amount of labour which is surplus after providing the "necessaries" for all. I shall speak of "surplus labour" in this sense. Do not confuse the idea with superfluity of labour; there is no superfluity. "Surplus capital" is the correlative of "surplus labour." The capital which is required to support the labour which provides necessaries of life, is an altogether inevitable expenditure. It is the capital in excess of this which can be applied discretionally, and which can in any sense be described as surplus.

The problems of Indian Political Economy are, the best employment of the surplus labour or surplus capital; the best mode of raising the needful public revenue—*i.e.*, the best modes and limits of taxation; the conditions and limits of the advantageous borrowing of capital; and also those facilities for distribution and exchange which touch the currency.

As respects the employment of the surplus labour, it is, in India, a very small quantity, and requires careful husbandry.

The surplus labour may be employed—

First, in direct supply of other needful things (as by manufactures).

Secondly, in indirect supply of other needful things (by producing things to be exchanged for what is needed).

Thirdly, in direct means of making labour more productive (as, especially, by irrigation works).

Fourthly, in indirect means of making labour more productive (as, especially, by roads, and other facilities of distribution).

As respects the first two classes of expenditure of surplus labour above noted—viz., direct or indirect supply of other needful things—the practical questions to be solved are—

First, what India needs.

Secondly, what part of these needs she *must* supply from abroad (such as machinery, metals, bullion).

Thirdly, what part of these needs she can obtain cheaper abroad (such as a considerable portion of the cotton goods and other things consumed by her).

Fourthly, what foreigners need, and *must* get from India (as opium and indigo).

Fifthly, what foreigners need, and can be supplied from India (as cotton, jute, grain, tea, hides, &c.).

As there are some things which India *must* get from abroad, and *must* pay for by exports, and as India has to make large payments in England of administrative expenditure and interest on loans and railway capital, and *must* pay these by exports, she has to spend a portion of her surplus labour in providing produce which Europe will accept in payment, whether that occupation be the most directly productive application of her labour or not.

There is the strongest reason for assuming that all these considerations will be best resolved by their own pressure under free conditions; and that the State, consequently, should avoid interference so far as possible.

This negative duty of non-interference takes a positive form in dealing with questions of revenue levied on commodities, and will be noticed again presently.

There remain the two other modes of applying surplus labour—

Direct means of making labour more productive (as by works of irrigation);

Indirect means of the same (as by roads and other facilities of distributing labour and produce).

No one disputes the advantages of these means, unless they cost more in execution than the produce directly or indirectly. It is difficult to measure the indirect increase of produce, but it may be assumed that

all such works are worth executing if they be done without additional taxation. This admits of execution of them by borrowed means, provided the interest on the loans be met by the direct or indirect increase of produce. Such works may, of course, possibly be a great benefit, even at the cost of some additional taxation; but such cases have to be carefully considered on their own special merits. For the present more general question, the avoidance of additional taxation may be reasonably assumed as a general limit of expenditure. When we come to a more particular consideration of loans, we shall have to notice some other limits.

We now come to the more peculiarly financial part of our subject, which may be classed under the heads of Revenue, Loan, and Currency.

#### REVENUE.

First, as respects revenue and taxation. The Indian revenue is obtained from

The land;  
Excise;  
Stamps;  
Salt;  
Opium;  
Customs duties;

besides certain local revenues obtained by local taxation of various kinds.

There is not time for even a superficial review of every one of these sources of revenue. I propose to restrict my particular inquiry to the customs duties.

If I pass quickly over the subject of Land Revenue, it is not that I think it of inferior importance; both in quantity and quality it is the most important of all. Every consistent financial policy in India must be determined by the conception of the land revenue; it is the financial foundation, and without a clear conviction about it, Indian finance must be at hap-hazard. But the subject is, at least, not ignored by any one, however much they differ; and my present purpose is rather to insist upon less familiar points. One point only I will notice, both because I think it has not received the attention it deserves, and because it has a bearing on the currency questions to be presently treated. I advert to the relation of the land revenue to the gross produce. I heard in this room an officer of Indian experience urge that it ought to be a sixth, not a third or a fourth; and a gentleman who had administered a large province in India asserted, in reply, that the settlement in Upper India is made on the basis of a sixth share; but just consider. The land revenue is about 21,000,000*l.*; that is a fact. In order to have a standard of comparison, let us suppose that the land revenue were one-sixth of the

gross produce. In that case the gross produce would be worth 126,000,000*l.* We export between 40,000,000*l.* and 50,000,000*l.*, excluding opium. Of course these exports are not wholly from British territory, nor is the whole of this value received by the cultivators. Take only half of it—20,000,000*l.* Then a large part of the inhabitants are still clothed by Indian manufactures. There are all the various products, wood and oil and hemp, and other fibres, and numerous other things consumed in India. But without stopping to make questionable estimates of these, consider the one item of food. I suppose that food is as cheap in the lower provinces of Bengal in ordinary years as anywhere. I find that in the last ten years the average price of common rice in those provinces was twenty-two seers the rupee. I see that two-thirds to three-fourths of a seer a head is assumed in famine reports as the daily consumption in ordinary times. This would be about a rupee a month per head. If the inhabitants of British India of all ages were fed, on the average, at this minimum rate for adults, without allowing anything for butter, milk, or condiments, the value of the food would be 240,000,000*l.*—more than ten times the land revenue. I therefore think that all the ordinary calculations must be discredited. At the same time, I think that the land revenue is probably practically heavier than such a calculation as I have suggested would indicate, according to quoted prices, and that the explanation, perhaps, partly lies in the relations of the copper and silver currency, to be noticed presently.

The excise duties I pass over without notice, other than that such duties are unobjectionable in principle, and that the disputable points are too intricate for present discussion.

The stamp duties are unobjectionable in kind; I fear they are very heavy in some respects, but I have no sufficient knowledge about them.

The salt revenue has some ill characters; the cost of collection is large, the temptation to smuggling is great. It falls so uniformly that it is nearly equivalent to a poll-tax. But it is universal—no one can escape it. It is not very burdensome in its actual incidence. The duty is about  $\frac{1}{2}$ d. a-pound. The estimated consumption is supposed to be about 14 lbs. a-head—(I find, on inquiry in my own household, that the consumption therein is 8 lbs. a-head). This only gives 7d. a-head per annum. After all, the first condition of a tax is that it be productive; and in a country where direct taxes are intolerable, where the mass of the people are so poor that an indirect tax, which only touches the comparatively wealthy, is unproductive, and one which applies to all in proportion to their means is undiscoverable, the problem of how to provide the revenue without violating some of the conditions of good taxation, is insolvable.

As respects the opium revenue, the principal objections which are offered thereto are moral. It is not from indifference that I pass over these. There are few uglier things in history than our opium wars. My own convictions point to the release of the Government of China from all special obligations enforced upon it for the maintenance of the trade. I only make this remark lest entire silence should appear to be indifference.

As my principal remarks will be on customs duties, I will here say the few words I intend respecting local taxation. The details are too varied for present discussion. But this local taxation needs careful control, or it may become very oppressive. The Government of India, however, appears to be fully alive to this danger; only I must notice one item of taxation which combines every evil which can characterize taxation with a minimum of productiveness; I mean road tolls. I think I have seen a shilling, certainly sixpence, levied on a cart, and that, too, without even providing a tolerably good road for it. An English gentleman thinks something of paying a shilling toll for his carriage; and what must such a toll be to a man on whom a salt duty of 7d. a-year per head is considerable, and who lives by cultivating land, the gross produce of which per acre must be valued by us in shillings.

I now come to the export and import duties, which I shall treat irrespectively of the import duty on salt, and the virtual export duty on opium.

For a true apprehension of the customs revenue, it is needful to understand and to bear in mind the large payments which India has to make in England, and her constant need to import bullion.

First, as respects the payments in England. India has to pay large sums yearly for depôts of troops, for civil and military furlough allowances, for the home administrative establishments, for interest on loans and on railway capital, for purchase of stores, and on some other accounts. These sums have constantly increased until, in the year 1872-73, the India Office drafts were 14,000,000*l.* These sums are all paid by means of exports, to be sold in order to pay them. We may say that India must export at least 10,000,000*l.* to 14,000,000*l.* worth of produce without any return, solely to make these payments.

Again, India has a constant irresistible need for a supply of bullion, which is also purchased by exports. We must understand this need. It is twofold: it is needed for hoarding, and it is needed to enable a rise of prices. Of course a certain small quantity is needed as a luxury for mere ornament, but that quantity is very small in so poor a country. An immense quantity is converted into ornaments, but really as a convenient mode of hoarding, and I therefore treat it as hoarded bullion.

Hoarding is inevitable where credit is so small; but it is very waste-

ful. The State cannot do much to prevent this waste; what it can do will be considered under the head of Currency.

There is no means of estimating the quantity of money withdrawn from circulation. Any one who knows the habits of the people must perceive that the quantity carried about the person in armlets and anklets, waist-belts and rings, must be very great. Probably the burial of treasure or other concealment of it is to no inconsiderable extent. But the great need for import of bullion is to keep up prices.

Value and price are not the same thing; one is the general exchange value for other things, the other is the particular exchange value for bullion only. But value and price must necessarily be made to correspond. If India were absolutely isolated, it would not, comparatively, be of great importance whether she had much or little silver. If, in consequence of the small quantity of silver, the price of a pound of cotton were the equivalent of a penny, the grower would not be worse off, provided other things for which he changed it were equally cheap. Prices and values would correspond within the range of India's commercial relations. But so soon as the commercial relations are extended to other countries, the things exchanged have international values (say one pound of cotton tends to exchange for two yards of cloth of a given quality). Prices must be made to correspond with these values, because the merchants do not trade by barter. The Manchester merchant does not offer so much cloth for so much cotton; but he sells his cloth at, say, 3d. a-yard, and is willing to pay, say, 6d. a-pound for cotton. But if the price of cotton were in India one penny, money would be poured into India to buy cotton at so favourable a rate; and the demand for cotton and additional supply of money would raise the price until supply and demand be in equilibrium. An analogous process—but acting less violently because spread over many years—has been going on, and is represented by the bullion which flows to India. The greater the foreign transactions, the more widely-spread is this rise of prices; and a rise of prices is, of course, impossible without more money, or more credit doing the work of money. But that is not all. A district which supplies itself, and has little external trade, can do with very little money. The people exchange their products in their own markets in small quantities, and practically do much by barter; but the extension of its commerce makes the money transactions larger, and the exchange of payments at longer intervals, so making more money needful; and the further the commerce extends, the more must this demand increase. Thus all facilities of communication by railways, &c., by increasing trade, increase at first the need of money, whilst the same circumstances cause a tendency to rise of prices, and to a still greater demand for bullion. The demand for bullion is thus, on the whole, an irresistible one.

The quantity of bullion imported in excess of the imports during the twelve years ending with 1872-73, averaged 13,695,851*l.* a-year. It is rather less than this lately, because that average is raised by the exceptional receipts during the American war. But we may take the two needs to make home payments and to import bullion at probably 25,000,000*l.* at present. In other words, irrespectively of any need to procure foreign goods, India must export some 10,000,000*l.* to 14,000,000*l.* worth of goods. Besides this, in order to supply herself with bullion, she must export some 10,000,000*l.* more.

Accordingly, we find that the excess of value of exports over imports (bullion omitted) for the twelve years ending 1872-73 averaged 20,040,403*l.*; and for the latter years, when the English payments have been much more, owing to the cessation of receipts from Indian railway companies and the increase of some other charges, the excess has been about 22,000,000*l.*

Advantage and disadvantage in trade (international as any other) depends upon the comparative intensity of relative needs. If India and England only traded with each other in one thing from each—say cotton wool from India and cotton manufactures from England—and if England could get no cotton except from India, as was approximately the case during the American war,—India would be greatly advantaged, and England would have to bear any additional cost of production. Similarly, if India could not procure cotton manufactures anywhere except from England, she would be correspondingly disadvantaged, and any additional cost of production would fall on her, excepting so far as it might diminish demand and so lower the value.

Duties, whether export or import, are equivalent, so far as the buyers and sellers are concerned, to additional cost of production. The question, therefore, of who really pays any and what part of an export or import duty, depends upon relative need; and that need is measured by the degree in which any increased cost of production diminishes demand.

One difference which characterizes all export duties as compared with import duties is that they are more costly by the interest on the duty for the longer time between production and consumption. An export duty is equivalent to capital expended in production. If a year elapses between the payment of an export duty and the final purchase by the consumer, and only two months in the case of an import duty, the latter would produce equal revenue at a cost diminished by ten months' interest on the duty. Sometimes the difference would be not only ordinary interest, but the larger rate of merchants' profit. But the greatest objection to an export duty is that, so far as it falls on the producers, it falls upon a small part of the community. Supposing a producer to make a profit

which is 20 per cent. of the value of the produce, a 5 per cent. duty on the produce would be a 25 per cent. income-tax upon the producer, *if the duty did not increase the price at all*; if the duty increased the price to the consumer, 3 per cent., leaving 2 per cent. to be borne by the producer. Yet, even in that case, the duty would be equivalent to a 10 per cent. tax on the income derived from the produce, besides the loss attending a diminished demand which would ordinarily follow the increased prices.

A duty on raw material is more costly than one on manufactured goods, because of the longer interval between the levy and final consumption. Moreover, a duty on raw material interferes more with consumption and demand; for instance, a duty of, say, 5 per cent. on raw cotton would perhaps make a difference of about 3 per cent. in the cost of the cheaper kinds of cloth, and would be hardly appreciable in some of the more costly kinds; whereas the desirable incidence of taxation would be that it should rather fall upon the more costly things, so far as this is consistent with the tax being sufficiently productive.

Another evidently desirable thing is to avoid, as far as possible, general hindrance of trade, and to avoid cost of collection; these points are attained partly by restricting customs duties to a few articles; but these few must be things in large demand, so that a low rate of duty may be sufficiently productive; otherwise, the restriction of duty to a few things would be likely to act protectively and prohibitively.

We thus arrive at the following general considerations, which often conflict with each other when we apply them to actual circumstances.

A duty to be productive, with least cost to any one, should be—

Firstly, on a few things for which there is a large demand;

Secondly, on manufactures rather than on raw materials;

Thirdly, on imports rather than exports.

But if, amongst the various articles of export, there be any for which there is a comparatively irrepressible demand by foreigners, a duty on these would be likely to be less onerous to the nation which imposes it than an import duty on other things.

In applying the foregoing considerations to India, they so conflict in application, that the practical resolution of them depends upon measuring their relative force in each case; and the right course can only be ascertained conclusively by experience; and a true policy must, in operation, be tentative.

In the first place, any *necessity to sell* being equivalent to a less intensity of demand, India's necessity to sell some 10,000,000*l.* to

14,000,000*l.* worth of goods yearly, without exchange, must disadvantage her. I find that—

For four years, from 1862 to 1866—

|  |             |
|--|-------------|
| The exports exceeded the imports in value by a yearly average of | £10,575,662 |
| The drafts of the India Office for those years average           | 5,901,074   |
| Leaving a balance of excess value of exports                     | £4,674,588  |

For four years, from 1870 to 1873—

|  |             |
|--|-------------|
| The exports exceeded imports yearly by       | £17,009,518 |
| The India Office drafts averaged             | 9,944,493   |
| Leaving a balance of excess value of exports | £7,065,025  |

The increased excess in the latter years is in great part accounted for by the higher tariff values of the imports in the earlier years. Yet this excess value of the exports over the imports for which they are actually exchanged, is a presumption of disadvantage to India—a disadvantage which is an additional reason for aiming at the eventual general abolition of customs duties. But at present I shall review the duties on the assumption that only such changes are immediately practicable as will have small financial effect.

For the year 1872-73—

|                               |           |
|-------------------------------|-----------|
| The total export duties were  | £798,792  |
| " import " " (excluding salt) | 1,646,777 |

The export duties were levied thus—

|   |          |
|---|----------|
| Cotton goods, at 3 per cent.                              | £13,165  |
| Indigo (3 rupees a-maund, about $1\frac{1}{2}$ per cent.) | 47,210   |
| Grain (3 annas a-maund, about 1 per cent.)                | 646,473  |
| Seeds, 3 per cent.  | 47,171   |
| Tanned hides, 3 per cent.                                 | 20,938   |
| Other things  | 24,015   |
|   | £798,792 |

The import duties were—

|  |   |            |
|--|---|------------|
| Cotton goods   | $\left\{ \begin{array}{l} 3\frac{1}{4} \text{ per cent. on twist} \\ 5 \text{ " on piece goods} \\ 7\frac{1}{2} \text{ " on other sorts} \end{array} \right\}$            | £816,334   |
| Iron, 1 per cent.  | ...   | 21,855     |
| Other metals, $7\frac{1}{2}$ per cent.   | ...   | 77,179     |
| Spirits  | $\left\{ \begin{array}{l} 1 \text{ anna a-gallon on malt liquors} \\ 3 \text{ rupees " spirits} \\ 1 \text{ ru. and } 1\frac{1}{2} \text{ ru. wine} \end{array} \right\}$ | 175,480    |
| Other articles, 57 in number, besides an item of "other kinds," producing £3,000 | mostly at $7\frac{1}{2}$ per cent.  | 555,927    |
|  |   | £1,646,777 |

The principle of levying duties on few articles in large demand, conflicts at the outset with the principle of preferring an import to an export duty. There are no articles of import which, at a moderate rate of duty, would give the present sum; so that we are obliged to choose, amongst the defects of heavy rates, the levy on many things, and the levy on exports.

Again, the principle of taxing manufactures rather than raw material, conflicts with the principle of avoiding a duty so heavy as to be protective or prohibitive. There are no manufactured articles in sufficient quantity.

But one of the first experiments should be to abolish the export duty on cotton manufactures. The export is dwindling, until the last year's duty was only 13,100*l.* In 1873 it was over 30,000*l.*; in 1872 it was 42,000*l.* The duty is a heavy one. There can be little doubt that it falls wholly on the producers—wholly, therefore, on a comparatively small class. It is no longer even productive of any considerable sum, and it effectually discourages a manufacture for which India has some special fitness.

The export duty on seeds is a heavy one; it does not, however, as yet, prevent an increase of the export. The seeds go largely to America, which has great varieties of soil and climate, and might any day develop a similar produce for herself.

Another item of export duty is tanned hides, at 3 per cent., giving 20,938*l.* in the last year. A duty on *all* hides, raw and tanned, at 1 per cent., would have given 29,200*l.* It seems to me that if this sum is to be raised on hides at all, it would be preferable to put 1 per cent. on all, than to offer the 3 per cent. obstacle to the export of the hides tanned instead of raw.

Of all the import duties, one of the most obviously over-weighted is the duty on metals (other than iron). The largest item is copper. The imports are steadily dwindling. The imports of 1868-69 were nearly three times the imports of 1872-73, and have steadily declined between these periods. The whole receipts of 1872-73 were—

|                                |         |
|--------------------------------|---------|
| Copper, at 7½ per cent. ... .. | £44,288 |
| Other metals, ditto ... ..     | 32,891  |

A large diminution of the rate would be a small sacrifice of revenue, and even that sacrifice would probably be met to some extent by increased consumption. This is evidently an immediately needful experiment.

Amongst other alternatives which would be preferable to some of the existing duties, and which would allow of the experimental discontinuance of some of the existing duties, one was suggested to me by a speech of General Strachey's, in the Legislative Council at Calcutta—viz., a

duty on trade documents—*i.e.*, a kind of stamp duty, which would thus distribute the charge over the whole trade without specially weighting any particular item. A duty would be thereby, in effect, levied upon all goods exported and imported, without any of the inconvenience of a levy upon many things, and without discouragement to any particular trade.

To enter into all the considerations which would enable us to form a conclusive opinion on the best mode of levying by duties a sum nearly equal to the present revenue therefrom, would require a laborious inquiry and detailed review, which are here impracticable. What we need to know for that purpose is the degree in which demand for the largely consumed commodities is, in each several case, affected by increased cost; and the means of obtaining that knowledge are, in great part, experimental. My present purpose is to urge a larger treatment of the problem. The presumption of reason and experience is, that it would be of enormous benefit to India to free her trade to the utmost; that a diminution of the duties, either in number or in rates, would be a great advantage, and would probably be attended by such increased demand as would, in some degree, meet the diminution of the rates; that there should be an immediate beginning made of a tentative application of a fixed policy of gradually extinguishing, first the export and then the import duties, applying all available savings to this purpose. Most probably, under the influence of free trade in all the other articles, the salt-tax would become considerably more productive.

In short, everything, except the unsuitableness of direct taxation, points to the need for the general abolition of customs duties in India. She is absolutely dependent now upon her foreign trade. In this trade she is, as I have shown, already disadvantaged by her need to export so largely in excess of imports—a need which the inevitable borrowing will increase. She is further weighted in her foreign trade by her constant need of bullion. In her largest exports (opium excepted) she is subject to strong competition. The true policy must be to make every effort to remove hindrance to her trade—to make it almost, if not entirely, the first consideration after peace and order. The principal thing touching taxation which modern political economy has taught us, is the advantage of so imposing it that it shall be distributed, and fall on no particular industry. In carrying a load, one places it so that it shall not fall on any particular limb. India is weighted by her customs duties, like a man carrying a load in his hands instead of on his back. India has no large imports on which a very moderate duty would be considerably productive. The import duty on cotton manufactures is the only one which now produces a large sum, and that is obtained by a duty so heavy that it must act, in some degree, protectively.

It will be asked, whence is the income to be replaced? I reply that there is, in the first place, a gradual augmentation of the land revenue which might be applied thereto. I recently saw an estimate by as good authority as any in India, that it will be at least 750,000*l.* each five years, for some time to come. There are some diminutions of expenditure which are certain to occur—such as the decrease of interest on debt by about 400,000*l.* by 1880, the diminution of interest on railway capital as railway receipts increase. There are other diminutions which ought to be made. England has put everything she can upon India, and has not borne her part of charges incurred for imperial purposes.

Doubtless, new demands will arise in the meantime; and, of course, the time will never come when the money is not wanted; and if there be no fixed policy on the subject of the duties, nothing thoroughly effectual will ever be done. If even Indian statesmen had a real policy of maintaining the duties, that would be well; a definite policy would produce discussion, which would affirm it or condemn it. But there has not hitherto been much evidence of the existence of any fixed policy: Lord Salisbury's recent reply to the deputation of Manchester merchants gives hope in this respect for the future.

In speaking of general abolition of the customs duties, I omit the discussion of exceptional cases—such as opium, certainly, and spirits, probably—in which demand is so persistent, and greatly increased supply of such questionable advantage, that the State may wisely secure a revenue therefrom in any case. I omit also the duty on salt, the salt duty in India being of a special character.

A consistently maintained tentative policy would, at least, give experience of the effects of the existing duties which would be invaluable, even if we suppose the incredible result that it should prove the existing system to be the best which is practicable.

#### LOAN.

I now come to the subject of Borrowing.

I insisted, at the beginning of my lecture, on the poverty of India. I said that England makes everything costly to India, with the one large exception of the power of borrowing. By this advantage alone can she find any measurable economic advantage to counterbalance the great cost of our administration, and especially of our army. It is on the right use of this that we depend for making our rule in India an economical success. Capital borrowed at 4 per cent. laid out in India with tolerable judgment on directly and indirectly productive works, will do much to repay the cost of our administration; but borrowing is a snare to nations as to individuals, and in the same way. It makes everything easier for a time, and

removes the pressure which would otherwise enforce the needful thrift. We see this in the railway expenditure in India. Five-sixths or more of what is borrowed will come from England, and the interest will annually swell the drafts on India paid by exports. There is need, therefore, for the severest economy and parsimony, whilst, nevertheless, the expenditure ought to be large.

There is good evidence that of late years the Government of India has practically understood the problem—that we require more thrift and more expenditure, more prudence, but more boldness. In undertaking the future railway-works, and in providing for large expenditure for purposes of irrigation, the Government of India will, so far as possible, secure the most profitable return to the borrowed capital.

All that it is needful to add on this subject are a few words on the means and limits of borrowing.

The exclusion of India from the English market for the greater part of her loans, has been a mistake and a great injustice. It does not succeed, for four-fifths of the Indian debt is held by Europeans. But the interest not being paid at a fixed rate in English money, but by drafts for rupees from the Indian Treasury, which must be sold at fluctuating prices; and the Stock being consequently inconvenient for ready sale or transfer in the English market, is not worth so much as it would be if the loan were avowedly taken in England. This difference of value is mere waste forced upon India. The idea that an Indian loan is a security for the loyalty of the people, seems to me unfounded. In the first place, a very small portion of the debt is held by Natives of India; and were it otherwise, it is obvious that the only kind of loyalty which could conceivably be promoted by being a creditor of the Government, is the negative kind, which would stop short of entire subversion of the British rule. To suppose that the individual interests of a few fundholders would oppose an appreciable resistance to such national feeling as must be supposed before English dominion is threatened, seems to me impossible.

The restriction is an injustice, because it is to refuse what is allowed to every foreign state. England repudiates responsibility for India's liabilities, and puts every charge upon India that is in any way incurred for her. England also has forced great expenditure upon India, which has been the source of a considerable portion of India's debt, as pre-eminently in the Afghan war. England took no part in the expense of that, whilst she made India pay part of the cost of the wars in Persia, China, and Abyssinia. All these considerations make it a special injustice to refuse to India such incidental advantages as the connection with England may bring to her.

Many think, and I myself lean more and more to that opinion, that

England ought to guarantee the Indian debt. It would not be much for England to do; it would be much less than England owes to India. It would practically cost her nothing, and it would save India perhaps 500,000*l.* a-year more than she could save by being allowed to borrow freely in the English market without a guarantee; not because the guarantee would really give greater security, but because it would give the Indian Government the advantage of the high value which attaches to stock which satisfies the conditions under which enormous sums of trust-money are held in England.

It only remains to note the limits of borrowing. \*To understand the limits, we must clearly understand what, in fact, takes place. What does India borrowing so many millions mean in substantial fact? It does not directly make more labourers; it is not imported in the shape of food; it does not immediately or directly increase the quantity of labour or of food. How does it practically increase the available labour? Of course, so far as you borrow capital, you can import without producing exports for immediate exchange; and so far as this takes place it releases so much labour in India as would otherwise be required to produce the exports in exchange. But borrowing does not seem to have so much the effect of diminishing exports as of increasing imports; and how can this increase labour? It increases the available wages of labour, and so stimulates industry. If good wages are to be got on public works, thousands of agriculturists work thereon at the slack seasons of agricultural work. Then, again, so far as the works require materials, tools, and machinery, these are supplied by borrowing, without any demand on Indian labour.

But it is quite true that when the wages offered by means of borrowing have stimulated industry to the utmost, no amount of borrowing can get more work done. The effect of borrowing more would only be to raise wages, and to withdraw men from other equally needful work. Higher wages mean better food, more clothing, more metal pots and pans instead of earthen ones, more bangles and chains, more hoarding. These consequences are very good when earned, but not when obtained by borrowing. These considerations indicate the limits of borrowing—*i.e.*, that it must not reach the point at which it merely increases wages, without providing more labour, excepting at the cost of starving agriculture and other productive work. Within this limit the State may wisely spend borrowed money on roads and works of irrigation to any extent consistent with avoidance of new taxation. This at least, because the high price of food in some parts of India shows the need for facilities of distribution and aids to production; whilst the state of the import trade, in spite of some falling off of late, shows on the whole that India is not

decreasing in wealth, and consequently can afford a considerable expenditure on such works.

### CURRENCY.

We now come to the third point noted for review—those facilities of exchange and distribution which depend upon the currency.

The object of the State in the management of the currency is the economy of bullion.

We have already shown the extraordinary need of this in India. In the twelve years ending 1872-73, she had exported 655,000,000*l.* worth of goods; and only imported 359,000,000*l.* worth, having imported beside 163,000,000*l.* worth of bullion (after deduction of exports of bullion). Nothing can add to the force of this statement as showing the value to India of everything which can economize her bullion, which is equivalent to diminishing her need for more.

The direct means of economy are the use of gold and the use of paper. First, as respects the use of gold. I cannot learn, I cannot even guess, the objections of the Government of India to make an issue of gold pieces which shall be a legal tender. It will not immediately be of the great benefit which some suppose, because the needs of India for payments in such large sums as ten or even five-rupee pieces are so relatively small. For the same reason, it cannot have the disadvantage of immediately displacing silver. Whilst the present constant need for more silver coinage endures, it is impossible to believe that any amount of gold coinage which we could introduce would displace a single rupee; but every gold piece in circulation would be an aid *pro tanto* to meet the constant need for more money. Just so far as the refusal of the State to make gold a legal tender prevents the use of it as money, the refusal is simply wasteful.

It is true that the issue might possibly prove almost useless, but it could do no harm. However exactly the relative value of the silver and gold coins might be adjusted at first, we are sure that some change would subsequently occur by which the one or the other metal would become the cheaper wherewith to make payments. If the silver should become the cheaper, the gold would never get into circulation. Even in that case, it would be useful by enabling the Government to use it to any extent for the paper currency reserves. But experience of late years makes it more likely that the gold will become the cheaper, in which case the benefit would be considerable, because gold would have a strong tendency to get into circulation to the utmost extent which the value of the transactions would admit, whilst it could not displace silver for an indefinite time to come, because of the low prices and the constant need

for an increased quantity of money. It is simply an experiment, which can do no harm, must do a little good, though possibly very little, and may eventually do great good. I know that some persons imagine that to make gold a legal tender would be a breach of faith. I think they can hardly know what they mean. There is no faith pledged in the matter ; if there were, the objection would be as good a thousand years hence as now. No change could ever be made in the currency. When and to whom was the pledge never to use a gold currency given ? Was it an act of bad faith to demonetize gold in 1835 ? If not, why not, on any reasoning which can support the notion of a reinstatement of it as part of the currency being a breach of faith ? But the argument is untenable either on the ground of special contract or practical effect.

The other direct means of economizing currency is by the use of currency notes. Here, again, I think our English wealthy notions have hindered us. We began with ten-rupee notes as the smallest sum ; the Government of India has recently issued five-rupee notes, but even five-rupee pieces are needed by comparatively few. To make any sensible relief of the annual drain to provide more money, the paper money must reach a much more numerous class. In Europe, at the present moment, much smaller paper money is in use ; in Italy, for instance, one-franc notes are in common use. These, and much of the other paper money in Europe, are inconvertible. I do not wish to see the Indian Government follow the example of issuing inconvertible notes ; I only desire to show that an issue of one-rupee notes would not be an extreme application of experience.

The question, of course, offers, How can the Natives of India, who cling to the notion of intrinsic value of money, be induced to receive one-rupee notes ? It is, doubtless, not so easy as in Europe. But they might be used largely in State payments at the Presidency towns, and at large stations where the Government has considerable disbursements to make. At the latter places it might be necessary at first to keep the full equivalent in coin, making it perfectly practicable, although at the cost of some little trouble, for any one to obtain prompt exchange of silver for the notes. If the Natives, on the one hand, cling to intrinsic value, on the other they have perfect faith in the Government's promises to pay. After a time, finding the paper always exchangeable for silver, they would probably be satisfied to keep some of it. The country people, too, finding it available for payment of revenue, would, perhaps, gradually become willing to receive a small quantity of it. Gradually, a great saving might possibly be made, as I assume that the Government would gradually diminish the reserve as experience showed that it could be safely done. I say of this as I said of the gold currency, it might so

fail as to be of little use; but it might be of great use; and though I cannot say so absolutely as in the case of the gold issue, it could do no harm, because the possibility of successful forgery of notes, discrediting the use of them, and the probability also of generating some suspicion, must not be overlooked; yet, with care, these risks might be averted. We have now only 9,000,000*l.* or 10,000,000*l.* worth of notes in circulation, of which the lowest amount is five rupees. How small must be the number of the holders of these large notes, as compared with the class to whose transactions one-rupee notes would be suitable!

What I principally desire to insist on is that the drain of India's produce merely to provide the machinery of exchange is so severe, that every possible means to diminish it should be tried.

An indirect means of economy of currency is afforded by savings banks. The attempt has been made recently, and the result is necessarily insignificant as yet, but it is all in the right direction. Every little helps. The Government of India should not refuse the smallest aid in diminishing the heavy hindrance to India's commerce which attends her need for more currency.

In general connection with this subject of the currency, I would observe that I do not think that the effect of the demonetization of copper by the Act of 1835 has ever received adequate attention. Copper used to be virtually the standard coin. I remember when, even at Poona, the value of a rupee in copper coin constantly fluctuated. I have no doubt it must be so still in some parts of the country. The total number of copper pieces of all kinds coined since 1835 is as follows—in all, 2,236,000,000:—

|                      | No.           | Value.   |
|----------------------|---------------|----------|
| Half-anna pieces ... | 217,339,812   | £67,918  |
| Quarter-anna „ ...   | 1,569,697,355 | 248,241  |
| Half-pice ...        | 165,651,409   | 12,941   |
| Pice ...             | 283,907,015   | 14,792   |
|                      | 2,236,595,591 | £343,892 |

If we compare this with the number of silver pieces coined in the same period, which was as follows:—

|                    | No.           | Value.       |
|--------------------|---------------|--------------|
| Rupees ...         | 1,910,674,452 | £191,067,445 |
| Half-rupees ...    | 64,179,781    | 3,208,989    |
| Quarter-rupees ... | 132,764,856   | 2,319,121    |
| Eighth „ ...       | 145,324,106   | 1,816,551    |
|                    | 2,252,943,195 | £198,412,106 |

and if we remember how inadequate the silver coinage is still, and how

much more numerous the transactions in copper must be than those in silver, we may infer the probability that the demonetization of the copper has helped artificially to keep prices down.

Copper is still, of necessity, the coin most largely used in internal exchange; and to a great part of the people the need to pay in silver must be in some degree like a demand to pay in foreign coin. The copper coinage is not multiplied as it would be if it were the recognized standard money; whilst the need for its free use is not yet really superseded by silver. We have thus probably prevented the use of copper money in a greater ratio than we have supplied its place by silver; and have thus perhaps artificially retarded the needful rise of prices. This must, of course, make the payment of land revenue proportionally more burdensome; and it is quite possible that the prices of agricultural produce which are quoted according to the nominal silver values of retail sales effected by copper, or perhaps by barter, may not truly measure the portion of the produce required by the cultivator to pay in silver his land-rent or his debt to the money-lender. This is the consideration to which I adverted in speaking of the relation of the land revenue to the gross produce of the land. I have, however, so little information on the subject that I can only repeat my apprehension that the effect of demonetization of copper has not received the attention and inquiry which it deserves.

In all that I have said under the several heads of this lecture, I have not forgotten the great practical difficulties which meet the responsible statesman—difficulties which most able and thoughtful men, with every resource of public and private information at command, have not seen their way to surmount. It is one thing to dogmatize in this room, it is another to carry the ideas into practice. But such discussion finds its special use in its disconnection from administrative responsibility, whereby principles are discussed more broadly, more deeply, and more simply.

In conclusion, we may ask, is India generally increasing or diminishing in wealth?

The returns I possess begin with 1862. Even in the last years India buys more than 50 per cent. more foreign goods (excluding bullion) than she did at the beginning of the period; besides having provided herself with bullion, principally to keep up prices and for the purposes of hoarding, to the extent of 13,500,000*l.* yearly.

The increase of imports is really rather greater than the returns show, because, before 1869-70, cotton goods and metals, which comprise more than half the imports in value, were valued at 15 per cent. higher than subsequently.

The exports have, of course, increased still more, because they have been needed to meet largely increased home payments.

Whilst India thus purchases more produce from abroad, there is no reason to suppose she produces less at home; but the contrary. More land is taken into cultivation; and in Bombay, certainly, manufactures have sprung up which did not exist previously.

On the other hand, there is a falling off of imports in the latter years; but the much higher imports in the immediately preceding years were the necessary consequence of the large contributions of railway capital. It was impossible that merely increased facility of transport should increase production so largely and immediately that the increased purchasing power given by the borrowed railway capital could be maintained undiminished after the supply ceased, whilst the interest thereon had to be paid.

Still, though we have received these great supplies of capital for railways, and have, I fear, spent a part very wastefully, we pay the interest with little additional imperial taxation on the whole. The income-tax has been taken off; the customs duties lowered; the salt-tax and stamp duties have been raised.

If a man whose business is well known is seen to be able to purchase more than previously, after his borrowings have ceased and when he has to meet the interest, it is a reasonable inference that he is prospering on the whole. Notwithstanding some known waste, India's position seems analogous. Of course, any one may think that the supposed individual person is engaged in risky business, that his gains have made him extravagant, that he does not know what he is about, and that he is likely to meet with adversity in future. Some say this of India and its administration. I have endeavoured to show why I think otherwise.

It is easy to find fault, and to find fault justly, in detail. I feel that unnecessary expense has been unjustly forced upon the Government of India. I see that there has been extravagance in this and that direction; I fancy I see means of better economy here and there. Nevertheless, it seems to me that we have good evidence that India is in a better economical condition than she was twelve years ago.

Yet, after all, my last word must be that India is positively a very poor country—so poor as to demand the greatest prudence and the most careful thrift in her economical administration, yet not so ill-managed as to give good reason for alarm or excuse for timidity.

Colonel RATHBORNE said he would only refer to two points mentioned in General Marriott's very able address. The first was the suggestion of a double standard of currency in India. Nothing is

more certain than that the maintenance of a double standard is utterly impossible in any country. It has been tried in France, and failed; in America, and failed also; and a like result was to be seen in Germany. The reason of this necessary failure is that one or the other standard becomes more valuable than the other standard, and hence it is exported to foreign countries. This universal rule was exemplified in the case of the demonetization of copper in India, or at least in that part of the country with which he was more particularly acquainted—Scinde. The old copper was of full intrinsic value, whereas the new English money was greatly inferior; and in a short time the old coinage had been melted down and disappeared. The only way of avoiding this in the adoption of a double standard is to follow the practice of England, where one standard is of full intrinsic value, and the other inferior, serving the purpose of counters, and only a legal tender for small sums. The other point in General Marriott's paper to which he would refer was the question of the guarantee of the Indian debt. At the present time there is a debt of some 200,000,000*l.*, and the Indian Government have practically the power to go on borrowing to almost any extent, subject only to the sanction of the Council for India—a body over whom the English people has little or no control. If the Home Government were to guarantee the Indian debt, the result would be that in the event of any native outbreak, or, still more likely, a foreign war, the Indian Government would be unable to pay the interest, and England would be burdened with the payment of the annual charge on what may then be something like 400,000,000*l.* As to the suggestion that India by the guarantee would be able to borrow money at 3 per cent.,—if that plea was good, by what right could the Crown colonies be excluded from the same advantage? It might be taken as quite certain that New Zealand, Canada, Australia, and the rest would not consent to pay 5 per cent. for money while India enjoyed the opportunity of raising it at 3 per cent. The logical result would be that this England—small country as it is—would have to bear the responsibilities of all the vast dependencies which own her as mistress over the globe, as well as her own sufficiently burdensome debt. He believed that England was strong-backed in the way of carrying financial burdens without getting swamped, but he confessed he did not think her strength equal to sustaining such a load as this. There were other points in General Marriott's paper on which comment might have been made, but he would not trespass on the time of the meeting further than to thank that gentleman for his address.

Mr. J. T. ZORN addressed himself to a consideration of the currency theory of General Marriott, and referred to his experience of the use of

small paper money in various countries. In America, during the war, the paper currency was brought down to as low as a five-cent note, and the consequent inflation of the currency was such as to raise prices to an unnatural standard. Eventually the merchants, finding it impossible to conduct their business in a currency which daily varied largely in value, resorted to the practice of requiring sterling value, the dollar itself having become nominal. Hence the great danger in the use of a paper currency was the tendency to inflation. Expansion once thoroughly developed, the most disastrous effects followed. This was the case in America, in France, in Austria; and in his own country, Bavaria, the proposal to introduce the use of small paper money was made, but he was enabled to place the results of his experience in all parts of the world in such a quarter as to induce the abandonment of the idea at the period to which he referred; although during the pressure of the late war this form of currency was resorted to, enriching first the bankers who promoted it. The present Imperial Government of Germany is engaged in a scheme of coinage which will result in the withdrawal of the various forms of small paper money which are the pest of the country, and which were commonly issued by its diverse Governments. His personal experience of India did not lead him to expect any more favourable results from the issue of small paper money than had been the case in other countries; and another danger to which he had not referred—viz., the risk of the manufacture of forged notes—would certainly not be absent in India. For his own part, he was convinced that one of the greatest advantages which England could confer on India, in the way of currency, would be the assimilation of the coinage of both countries by the adoption of a common standard, which, from the extent of their united trade, might gradually become that much-desired international one all over the globe, paving the way for that further unification of weights, measures, &c., which would save to mankind so much loss and labour now needlessly incurred.

Mr. C. MEENACSHAYA said he would not venture to enter into a lengthened criticism on the various points raised by General Marriott in his able and instructive address, but on his very useful suggestions regarding the limits of borrowing on the part of the Indian Government he begged permission to offer a few remarks. This was a subject of primary importance, and in order to understand it rightly they must understand the financial aspect of India. The broad facts were that the Government of India had a revenue of 50,000,000*l.* to 51,000,000*l.*, while the expenditure in ordinary times of peace and order exceeded this. In evidence given before the Committee on Indian Finance it was shown that the opium trade of India was in the highest

degree a doubtful source of income, and yet it was no inconsiderable item of the Indian revenue, amounting as it did to 8,000,000*l.* out of the 50,000,000*l.* or thereabouts. There was, therefore, nothing extravagant in the supposition that the opium revenue may some day fail, and in that case Indian statesmen would have to solve the apparently insoluble problem of how to make both ends meet. Hence he would urge that they must give up all discussions about the best means of borrowing, and their attention should be exclusively devoted to discovering the best means of retrenching the expenditure of the Government of India. (Hear, hear.) India is, unfortunately, not in that state of general prosperity which will admit of money being borrowed at the rate of 2,000,000*l.* or 3,000,000*l.* a-year; and how to stop this borrowing becomes of vital importance. He did not deem this the proper opportunity for entering into a discussion of the financial extravagance of the Indian Government (probably there was no one who knew the fact better than their Chairman, Sir Charles Wingfield, for he sat two years on the Indian Finance Committee and heard a mass of evidence on the point), but he would earnestly submit that the question for the friends of India to consider first of all was, how to reduce the expenses of administration so as to avoid these increasing burdens of debt. (Hear, hear.)

Major-General MARRIOTT said, in reply to the observations of previous speakers, that, in respect to the double standard of currency, he failed to appreciate the objections which had been raised. Colonel Rathborne said it was impossible that two standards should co-exist, but they had co-existed, nevertheless, in France and in America; and the "impossibility" seemed only to amount to an appreciation of the fact that one standard would have a preference over the other.

Colonel RATHBORNE: Exactly. You may make a law on the subject of currency, but you cannot prevent a difference in the value of your two standards, and whichever is preferred will and must run away from the country.

Major-General MARRIOTT: No doubt there is that tendency, but where there is any great demand for an additional coinage of money, as in India, it is much reduced, if it does not altogether disappear. In France, doubtless, few paid in gold Napoleons, when it was cheaper to pay in silver francs. At present the gold drives out the silver. I hold it would be different in India; and this may be illustrated by the facts connected with the copper demonetization to which Colonel Rathborne has referred. Colonel Rathborne says, that as soon as the Government made a new copper coinage, of less intrinsic value than that previously in use, then the old copper coinage, as being of a higher value, went out

of use and disappeared. Probably it ought to have done so to have fitted the theory, but, as a matter of fact, it did not. The absolute necessity for having more copper compelled not only the retention of the old coinage, but even the practice of illegal copper coinage. I am perfectly certain that the old copper coinage is in abundant use even to this day.

Colonel RATHBORNE: I can only, of course, say that the old copper coinage went out of use in my district—Scinde.

Major-General MARRIOTT continued by turning to the subject of the guarantee to the railways. To take the whole amount of railway stock and view it—as was done by one speaker—as debt, was not a fair method of looking at it, because a large part of the interest paid upon it is repaid by a share of profits; and it is even conceivable that the railway system will be a source of income to the Government in years to come, instead of a burden. And therefore, although it is a certain kind of liability, it is misleading to speak of it as simple debt. The chief argument against giving the English guarantee to the Indian Debt advanced by gentlemen who had spoken, was that the Colonies would expect the same privilege; but when the position of India and the Colonies in relation to the English Government is compared and contrasted, it would at once be seen that the ground of India's claim does not exist in the Colonies. He agreed with much that had fallen from Mr. Zorn regarding a paper currency, although he viewed the evils which that gentleman described as attributable to the paper money having been inconvertible. (Hear, hear.)

Mr. ZORN said the danger had always been that as soon as paper money is introduced, a tendency is developed to launch out, so that very soon a considerable per-centage of the paper currency becomes inconvertible, and depreciation inevitably follows. In England itself, in times of pressure, influence was brought to bear on the Government by the great financial interests of the City, and the Bank Act was suspended; and this is the case—only in a more aggravated form—in other countries. Austria, for instance, was twice bankrupt from this cause.

Major-General MARRIOTT regretted that the time would not permit a full examination of the question, in order to show that the case of the Bank of England was not at all applicable to the point in dispute. He would, however, admit that, if it could be proved that there was a great risk of the paper money in India becoming inconvertible, he would change his views to some extent; for the essence of the institution of a paper currency would be that it should be absolutely secured that a Native, if paid in paper, should be able, with little or no trouble, to get full payment for it in coin forthwith. The remarks of Mr. Meenac-

shaya were interesting, because they represented the opinions of a school of Indian politicians who contended that the British Government in India ought not to borrow at all. Although entirely differing from this opinion, he could perfectly understand and appreciate the position of those who maintained it, for at the beginning he stated that one result of our government in India was that we made everything costly except the power of borrowing money, and that was to be had cheaply. He had said that this was their great resource, but he had also admitted that it was their great danger. Nevertheless, he contended that this power of borrowing cheaply should be made use of. It was perfectly intelligible to say, "We will not borrow any more; even to make a profit, we will not increase our capital account. We would rather do without roads, tanks, canals, railways, and other public works, than run the risk of incurring more debt." But his own strong opinion was that it was wiser to avail themselves of this cheap money, that it might be laid out at a profit.

Mr. ZORN asked whether the statistics of the imports and export duties of India mentioned by General Marriott in his address were the nett or gross results, because the difference would be material.

Major-General MARRIOTT said they were the gross totals.

Mr. ZORN said he quite coincided with General Marriott as to the desirability of abolishing these duties, for wherever they existed they were grievously obstructive and expensive in collection. He suspected that the cost of collection in India was something enormous; so that the abolition of the duties would not result in so large a loss to the revenue as might at first sight be supposed.

The CHAIRMAN said that although, doubtless owing to the very uninviting weather, the attendance was not so large as usual, yet, as he had anticipated, the discussion had been both profitable and interesting. In summing up, he would wish first to say that he quite agreed—indeed, everybody agreed who was practically acquainted with the subject—that India was a poor country, as stated by General Marriott in his first proposition. He had never heard anybody dispute this having Indian experience. General Marriott had called in question the statement he had made at a previous meeting, that the land revenue in Upper India—that is, in the North-west Provinces, Punjaub and Oude—was calculated upon the basis of one-sixth of the produce; but that statement was strictly accurate, though of course certainty could not be attained. In Bengal it was true that the land revenue was perhaps not half as much. He quite agreed with General Marriott as to the propriety of abolishing the customs duties upon those articles, such as hides and iron, where the return was very small and proved obstructive to trade; but he could

not coincide in the lecturer's view of the advisability of removing the duties from grain and cotton—at least, until the time came when the Government could do without the money. General Marriott's expectation that the loss on these would be recouped from the increasing land revenue, seemed to him to be far too sanguine. The balance of evidence seemed to show that the land-revenue could not be increased much, and, in fact, the increase during the last ten years had been comparatively small. Indeed, seeing that the revenue from this source is in most instances fixed over long periods of years, or in perpetuity, he did not see how any great increase could be anticipated. General Marriott seemed also to think that the charge for interest on the guaranteed railways will be diminished by the improved receipts, but although this was doubtless quite true, it should not be forgotten that the Government would have to meet an annually increased expenditure for the construction of new lines. The Indian Government are spending 3,000,000*l.* a-year on public works, and the plan of the Government of India is to spend 100,000,000*l.* in the next thirty years. General Strachey, in an exceedingly able Minute, written about four years ago, laid it down as a proposition that a promising line of railway made with economy might be expected to yield a return equal to the interest upon the money borrowed for its construction in ten or twelve years; so that even in favourable circumstances the interest would have to be met during that period. With such facts before him, he contemplated a large and increasing charge upon money borrowed for public works. As to the salt duties, he agreed with General Marriott in not regarding them as oppressively felt, although he would be sorry to see them increased. He was confirmed in this impression from his own experience. After the suppression of the Mutiny he had to examine an enormous quantity of rebel correspondence between the various agents who had administered the revolted provinces. In this he saw all kinds of abuse on the British system of taxation and government, especially in respect of the exclusion of Natives from offices of importance under Government, and the degradation of Native families of distinction and ancient lineage, but never a word against the salt revenue, never a line saying it was felt as a hardship. As to the policy of borrowing, he confessed he rather sympathized with Mr. Meenacshaya in thinking that the Indian Government had spent too much already, and should now endeavour to reduce expenditure on public works. A former Secretary of State (Sir Stafford Northcote) laid down the principle that no works should be constructed from borrowed money unless they produced sufficient to meet the interest; but it had been found extremely difficult to carry out this idea, because, prior to completion, the returns on most public works must be only con-

jectural. He doubted whether any single undertaking, railway, or canal; or other public work in India yielded a return of 5 per cent., at this moment, on its capital—that is, if the accounts were made up in a commercial way; and therefore he looked with alarm upon the prospect of increased borrowing. He quite agreed with the remark that there had been cases of frightful extravagance on the part of the Indian Government. Enormous sums of money had been wasted, for instance, in the building of unsubstantial and useless barracks. Wasteful purchases had been made—as, for instance, the taking over of the Orissa Water Works—an act which sent the stock of the Company up immediately. The principle should be strictly adhered to of making no loan for public works unless the interest could be paid out of current revenue without imposing additional taxation. He believed that, useful though such works might be, if they involved the borrowing of money, the interest on which would have to be met by additional taxation, no real benefit would be conferred upon the people, because an oppressive burden will be imposed upon them, and prove a source of immediate misery to them, while it involved political danger to the Government. General Marriott's complaint that India was not allowed to borrow in the cheapest market because she was excluded from direct dealing with London, seemed to be illusory to a large extent, for although India borrowed in India, she did not pay appreciably more than if she borrowed in London. The 4 per cent. loan was above par in Calcutta, while in England the guaranteed railway loans could be bought to yield about 4 per cent. In the time of the Mutiny, when the circumstances were wholly adverse, money was raised in London and Calcutta at a difference of only one-half per cent. interest; and though he did not pretend to say positively, it seemed to him that the money markets of the two cities were in such close relation that no disadvantage resulted from borrowing in Calcutta. With regard to the Indian Debt being guaranteed by England, he entertained the objections raised by previous speakers. If the English people were made responsible for the debt, pressure of the strongest kind would speedily be brought to bear on the Indian Government in respect of the expenditure. Parliamentary interests or political exigencies at home might decide matters of purely Indian interest, and hence there would speedily develop a source of serious political danger. Of course no one would dream of guaranteeing the present debt, for that would only be putting 20 per cent. into the pockets of the investors, but his objections were to the issue of a new guaranteed stock to replace the old.

Major-General MARRIOTT said that he meant, of course, that this method should be adopted, for no one would propose to guarantee the present debt.

The CHAIRMAN said another objection had been often raised against making money too cheap for the Indian Government, and that was, that while that Government could get money with tolerable ease they would infallibly spend it. It used to be said that whenever they had a full treasury they went to war, but now they go to works. In conclusion, the speaker said the meeting was much indebted to General Marriott for his able and instructive address, and he proposed a vote of thanks to him.

The motion was agreed to *nem. con.*, and Major-General Marriott bowed his acknowledgments.

Mr. MEENACSHAYA, in a few complimentary observations, moved a vote of thanks to the Chairman.

Dr. LEITNER seconded the proposition, which was carried unanimously.

The CHAIRMAN, in acknowledging this compliment, said he was always glad to do his best to further the interests of the Association.

The sitting then terminated.

### *The Marquis of Salisbury's Indian Councils Bill: Supervision of Many Better than Revision by One.*

A MEETING of the Bombay Branch of the East India Association was held at the Framjee Cowasjee Institute, on Friday evening, July 17, 1874. On the motion of Mr. JAVERILAL UMIASHANKAR YAJNIK, Honorary Secretary, seconded by Mr. KASHINATH T. TELANG, the RAO SAHEB VISHWANATH NARAYEN MANDLIK was voted to the chair.

The CHAIRMAN, in opening the business of the meeting, referred to the very great importance of the subject which Mr. W. Martin Wood had been kind enough to bring forward for the consideration of the Association—viz., the New Indian Councils Bill now before Parliament—and introduced Mr. Wood to the meeting.

Mr. WOOD then proceeded as follows: The objects and reasons set forth by Lord Salisbury in his speech in the House of Peers on June 9, for the passing of the Bill under which a new and, in the first instance, an additional member of the Viceroy's Executive Council will be appointed, are such as at first sight commend themselves strongly to our approval. It is an object which we all desire to see attained, that our vast Indian expenditure on public works be properly supervised, controlled, and economized. If, as intimated by the new and zealous Secretary of State,

that expenditure is to become vaster; if the Government of India intends to persist in constructing either six or nine thousand miles of railway by means of departmental officers; if a scheme has already been submitted to the Viceroy for expending forty millions to avert famine in Northern India alone,—then we admit there is “reason” shown for appointing not only one extraordinary executive councillor, but five, all equally extraordinary. That is, if, after acknowledging that the object is reasonable and the reason cogent, we also admit that the method proposed by the noble Marquis is suitable and well adapted to attain the end in view. But this is just the question. His lordship has, however, no misgiving about it. He assumes the minor premiss of his proposition without a word of argument to support it; and, by the drift of his speech, he seemed to expect that his audience, not only in the gilded chamber, but “out of doors,” and here in India, would also supply or accept the assumption. Long ere this the Secretary of State must have learned, from the response to his proposal, that there is a public opinion in India which is also occasionally unanimous. But so clear and confident is he as to the fitness and urgency of his measure, that he may be inclined to regard public opinion here as a very poor thing. To this it would not be a bad response to say, with the clown in the play, “A poor thing an’ you will; but mine own, mine own.” We shall admit and have owned that there is something to be said for the measure, and, though touching only the surface of the subject, his lordship said that well. But how striking has been the consentaneous and decisive expression of public opinion against it! From the Viceroy down to the smallest journal which has any right to be heard on behalf of the public, this new Indian Councils Bill has been condemned without qualification or hope for amendments, however cunningly devised. It can scarcely be contended, even by the Councillor-designate himself, that we are all wrong together—ignorant, blind folk who do not know what is good for ourselves. What, then is the reason or conviction underlying this prompt, decisive, and universal national dissent, and which accords so closely with Lord Northbrook’s own protest officially recorded? Before examining the proposed measure in detail, we may point out that this instinctive resentment with which the Indian public has responded may fairly be taken as indicating—first, as regards the new appointment, its distrust of departmental, secretive, and bureaucratic methods of administration; and, second, as regards the haste and predetermined manner in which the Bill is being pushed through Parliament, its dislike to having important changes forced on the country without the civility of its being consulted, and without opportunity for such changes being discussed and considered in the open daylight of publicity.

Publicity! Yes, having pronounced the word which must be the keynote of our remarks, let us turn it to account at once. If we are pressed to immediately suggest a better means of securing the end which Lord Salisbury has in view—the more efficient and economical control of an enormous public works outlay—our reply might be summed up in that one word, publicity. True, we cannot hope, in a short paper of this kind—intended to stimulate discussion rather than to work out any consecutive argument—to convince men trained in all the honoured formalities, the sacred traditions of departmental secrecy, and rigid service subordination.\* But we may succeed in raising the presumption that they who sit at the centre do not necessarily see all the circumference; and that, invaluable as is the counsel of disciplined experience and the calm consideration of responsible officers secluded from the clamours of the outside world, there may, nevertheless, be some virtue in the rough, haphazard, but free criticism of volunteer and independent observers. If this be so, it follows that new projects, whether of legislation, of revenue administration, or fiscal policy, and, above all, of public works, should be disclosed from the beginning. If publicity, with all drawbacks which it must have in the eyes of eminent officials, does afford a certain quality of security, a safeguard against those grave errors which, as we see, cannot be corrected under all the elaborate and anxious pains now taken to forbid its exercise, then must the public be taken into confidence at the very inception of all these measures on which the welfare of this great empire depends. This may be hard doctrine to bureaucratic administrators and departmental experts—men, let us say, whose probity and devotion to the public interests justly raise them above the breath of calumny, and render them almost impervious to personal criticism—but such is the heresy we proclaim; and we plead for a hearing for our revolutionary proposition as against the Secretary of State's new version of the venerable maxim, "Nothing like leather." In other words, his lordship having proved that his panacea of central revision has disastrously failed, says to the astonished empire, "Go to, we will have more of it." The vigilant Indian press at once perceived this glaring inconsistency between Lord Salisbury's diagnosis and proposed remedy. And one writer, in giving a personal turn to the discussion, points out that the excess over original estimate—2,600,000*l.* in a final cost of 6,462,750*l.* on 300 works—which has stirred the new broom to action, was incurred and committed while the gallant General—who, it is assumed, is the new Councillor-designate—was himself Public Works Secretary to the Government of India, or in very intimate and influential association with the Viceregal counsels. Let that pass; but seldom has a strong man made out a weaker

that just put forward by the Marquis of Salisbury on June 9. Let us look at it. In the first place, if we were concerned to put in a word for the much and often deservedly abused Public Works Department, we should remark that the revised estimates, which are ignored in his lordship's speech, though included in the return to Parliament, may, and in many cases must, have been spent on constructions and additions which are worth all the money. Then, again, these 300 cases are all picked wasters, and include instances of splendid sins, like our beloved Gunnessh Khind Palace, with its excess of 21,872*l.*; our much admired White Elephant at Hog Island, 51,458*l.* over the mark; the Kirkee Gun Factory, with its extra 96,116*l.*; the Moody Bay Reclamation, nearly 460,000*l.*; the Poona to Sattara Road, 77,549*l.* (more than twice the original estimate); the Aboo, Allahabad, and Peshawur Barracks and Rawul Pindee Magazine, costing, respectively, 32,559*l.*, 46,016*l.*, 42,989*l.*, and 26,649*l.* over and above the original estimate for each; the Madras Water-supply Scheme, 43,596*l.*; the Ootacamund Lawrence Asylum, 70,440*l.*; the Barrakur Bridge and Cuttack Trunk Roads (one 50,984*l.*, the other 37,239*l.* over the first guess); the Imperial Museum, Calcutta, and the Sailors' Home in that port, the one costing 14,113*l.*, and the other 11,198*l.* in excess out of a comparatively small total outlay; and so on. This point—that to pick out the works showing excess over first estimate is not quite fair in argument—had been taken in anticipation by the Government of India in their reply to the Duke of Argyll of January 2, 1873. His Grace's zeal had been stirred up because of the excess incurred and already manifested, in the early part of 1872, in the construction of the Moota Valley Irrigation project, or, as we say, the Kurruckwasla Waterworks. It is disappointing to us that such eminent authorities as Colonels Fife and Kennedy were both at fault, and still more that there should be bickerings amongst the Olympians respecting the estimate and cost of such a noble work as that which now supplies Kirkee and Poona with pure water, and is intended to irrigate thousands of the arid fields of the Deccan. But we may here anticipate our argument so far as to demand, Why did we not know all this before? So long ago as June, 1872, his Grace of Argyll came down like a sledge-hammer on the Bombay Public Works officers, who had to answer for an augmentation of 17½ lakhs in the original estimates, and diminution of 2 per cent. in the returns at first anticipated; but those officers do not appear to have been one whit the worse for this wiggling. Now, would not that rebuke, so far as it was deserved, have told with fivefold force if it had come before the public while it was hot and fresh? Was not the Duke's wrath as good as thrown away in being, so far as the public were

concerned, bottled up until May, 1874? But we digress. The occasion of this reference is merely to show that the Government of India's reply, if it can be accepted implicitly, affords rather a striking set-off to Lord Salisbury's picked excess of 2,600,000*l*. Taking the 656 works completed in 1871-2, they show that 410 were within the original estimate, and only 245 in excess. True, when we turn to the figures of these two sets, we find the saving amounted to Rs.10,10,894, and the excess to Rs.14,33,056; but, looking at the bare arithmetical test, this does afford an important qualification or set-off to Lord Salisbury's thumping figure of 2,600,000*l*., or 300 works picked out to point his moral and excuse his little *coup d'état*. As to the other point in which he seems to show undue eagerness in stating his case—namely, his discarding the revised estimates—you will have seen that his lordship has tried to justify himself in his speech of June 15. He scarcely succeeds; for he does not touch the point that the difference between the revised and original estimate may, and in some cases must, represent good value received. Instead of noticing this, his lordship gives some cursory description of how revised estimates have been expended in certain notorious cases, where we may be tolerably sure, judging from our own Presidency, that the blame lies as much, if not more heavily, on the local executive authorities, than on the engineers and Public Works Department itself. To cases like this our remedy would apply far more readily than will Lord Salisbury's.

Thus we have noticed the two chief points in which we think the Secretary of State has overstated, and thereby weakened, his case. It is not that we are anxious to defend the great Public Works Department. Its officers would not, perhaps, thank me for my championship, though I have always been ready to avow that, barring two or three notorious instances, the officers of the Bombay Department have never merited the sweeping reproaches which we constantly see bestowed on their *confrères* in Eastern and Northern India, which reproaches it would seem that the new Secretary of State has accepted in their entirety, somewhat unfairly seeking justification in those two or three exceptional failures and excesses in Western India to which we have alluded. Why, then, have we diverged from our own line of argument to suggest that even the Public Works Department is not quite so black as his lordship has painted it? We do so because it strikes us that the whole tone and form of Lord Salisbury's speeches, more especially that on June 9th, afford remarkable illustration of the prevalence of the great bane we denounce—secrecy, systematic departmental secrecy—and furnish suggestive warnings of the necessity for the antidote we propose—publicity, prompt, frank, and full publicity.

Take these returns, compiled on purpose to support the noble Marquis's motion and in hope that the insinuation of 2,600,000*l.* worth of sheer waste would produce such a sensation that the peers would not wag a tongue against the measure. Now, why should not these returns, presenting such ghastly per-centage of excess over estimate, have been laid before Lords, Commons, or the Indian public long ago? It is true that many of these extraordinary works are not yet completed; but this only shows the urgent necessity of daylight having been let into the plans and estimates long since. What is the use of trying to shock the listless peers with this story of 300 cases of excess *after* the 260 lakhs have, as alleged, gone down the gulf? Had some of the cases been picked out when only the 60 lakhs had been expended, and had the excess been placed officially before the public here, who have to pay or suffer for waste, and whilst the engineers concerned were here to answer for themselves or submit to open public censure, something might have been done to save the 200 lakhs, or to know the reason why the several excess sums were to be spent.

But we anticipate. Take, then, the history of this measure itself as disclosed by its zealous promoter. The whole scheme—some persons might say the big job—came upon the public by surprise, and it was evidently intended to steal a march on the Indian opposition and that tiresome press which, when it is allowed the chance, is constantly interposing to spoil out and dried schemes which seem the perfection of statecraft whilst being contrived in the seclusion of the bureau. Not until his second speech did Lord Salisbury think it worth while to let us know a little of the history of the Bill. It then transpired that Lord Mayo—who, as we all know, took the Public Works division of the Supreme Council work—had suggested the appointment which it is now sought to be carried out without a month's respite for discussion. You have all seen the dozen lines in which, as quoted in Lord Salisbury's speech of June 15th, Lord Mayo states the object and gives his reasons in favour of creating this special Councillor. Now, I trust it is safe to say that we have much respect for the judgment of the late Viceroy in respect of matters with which he was brought closely in contact. For my own part, I had no sympathy whatever for a certain vein of criticism—or rather, carping and scarcely civil sneering—which ran through portions of the Indian press during last year, in deprecation of Lord Mayo's undeveloped and—again because of this bane of secrecy—necessarily unvindicated Public Works policy. And all talk of that sort must now be cast to the winds. In presence of the mighty cloud of massive expenditure—including big railways that can never pay, and exposed forts that will invite attack—which appears now to be welcomed by every party in the State, Lord Mayo's modest efforts at working out the problem of remu-

nerative Public Works exploitation are scarcely worthy of notice in comparison with the grander notions of to-day. We do not care now to controvert the position taken up by Lord Mayo in August, 1869; but we would just ask whether, if this proposition had been put before the public in that year, as it ought to have been, this "Indian Councils Act" "Amendment Bill" of 1874 would ever have been heard of? And here, it occurs to me that, at the cost of another digression, we may refer to that fiscal and administrative history of the year 1869-70 as offering an appropriate basis for one of the most obvious but forcible arguments against the measure. Let me recall to your memory the incidents of that period—August, 1869. No doubt, from the tone of this secret and confidential letter of the late Viceroy's, quoted from by Lord Salisbury, the Supreme Government had then begun to discover the depletion of cash and excess of outlay, especially in this same Public Works Department, news of which burst on the country two months later in the shape of a financial panic in the upper regions and the 50 per cent. surcharge on the income-tax of the year. This was followed by that utterly unjustifiable levy, the swingeing  $3\frac{1}{2}$  per cent. coolly pushed through by Sir Richard Temple in April, 1870, when the panic was over, and when, if he had been worth the name of a financier, he would have perceived that there was no call for such a violent remedy. Now that for a moment you have recalled to you the strain and stress of those anxious and unsettled years, is not one of the first amongst the many indignant protests of the time which recur to your memory, that universal denunciation of the increase of departments and multiplication of offices which were then everywhere regarded as the effective and provocative cause of that excessive expenditure which seemed to have appalled the Supreme Government itself? I need not refer back to the newspaper files of that period to remind you how, with one voice, the whole press, Native and European, traced the growth of unmanageable expenditure to this evil of splitting up the functions of administration and increasing the number of big tax-eaters, each of whom is bound to justify his appointment, and in doing so to set in motion innumerable rills of continuous expenditure. And yet it was about that period we saw the creation of an entirely new Secretariat—the bureau of Agriculture, Revenue, and Commerce. This was intended to aid, and no doubt has relieved the Executive Council of a large amount of work; but this new department ought to have anticipated and superseded the demand for further relief of the Executive Council. Since then not only has the Public Works Secretariat been strengthened, but after a separate "branch" being added to it to undertake the railway work, we have witnessed, only during the last few weeks, the evolution of a distinct and self-dependent State Railway Department. There was already an Irriga-

tion Department, at least an Inspector-General of Irrigation, who has, doubtless, skilled assistants of sorts at his disposal; so again we ask, what more could be desired? Why, we had almost forgotten the Marines! Lest the evolution of departments should not keep up at the usual rate, one of the two great patronage departments at home, who ever look upon the Indian preserves with a hungry gaze, has induced the Government of India to assent to the appointment, say to the "entertainment," of a Lord High Admiral on some Rs.3,500 per mensem; though every proposal to restore a modest Indian Naval Service, which would confer great and direct benefits on our maritime interest by the training it would give in survey and transport operations, has always been repelled with scorn. Thus, the creation of tax-eating and revenue-spending departments has gone on in spite of the dismay and protests of the India public; and Lord Salisbury has very much to learn about the people of this country if he can feel surprised at the universal opposition which has at once been evoked by his abrupt proposal to aggravate this foible in modern Indian administration by appointing an officer of gigantic personal powers, who, sent out under the Queen's sign manual, may be able to defy the Governor-General himself, and override the rest of the Supreme Government in all that concerns what threatens to overtake even the military outlay, and become the very largest division of our debt-creating expenditure. We may as well remark in this connection that there is a rude consistency in this lordly slight of Lord Northbrook and the whole Government of India, and in the ostentatious nonchalance with which the noble Secretary has, in this weighty manner, treated his Council as a very small thing, and scorned to ask their opinion. Seeing that of these conscript fathers at Westminster, more than half of them have sat on for many years longer than they ought to have done, we cannot be expected to feel grieved because of the neglect with which they have been treated; but the public judge of this incident from the political point of view, and it confirms the deep suspicion and strong dislike with which this dictatorial and autocratical scheme is regarded. We may also remark that the way in which the Indian Council has been ignored and the Viceroy's protest virtually burked is all in accordance with that tone of secret bureaucratic action, and that shrinking from public opinion and discussion, which have been, and always will be, fatal to successful and durable political administrative work.

In another respect Lord Salisbury's speech illustrates the *régime* of secrecy and suppression under which India moves and has its being, indeed, but does not and cannot live a healthy national life. We had heard in a vague way, or perhaps we had been left to infer, that the Behar famine would stimulate the authorities to push on with irrigation

works; but it was not known until Lord Salisbury, on June 9, stated it incidentally, and as part of his case for adding this seventh wheel to the viceregal coach, that it had been definitively determined to spend 40,000,000*l.* on irrigation in Northern India. Not one single further particular did his lordship vouchsafe to mention regarding this enormous project. We are left to guess how many millions are to be spent in each year, whether the whole is to be laid out in henceforth lucky Behar, and whether the thirsty Deccan and fertile Guzerat, which will have to contribute in such large proportion to the interest on that 40,000,000*l.*, are to enjoy any share in the outlay. Is it not high time already that the preliminary papers relating to these vast projects were laid before the public? His lordship, in alluding to the prospective expenditure on railways, evidently had in mind that judicious plan of apportioning and equalizing over a series of years the extraordinary expenditure both on account of railways and irrigation works which was issued soon after the present Viceroy gathered up the reins of power; but are we to understand from Lord Salisbury that this plan of graduated progress and distributed outlay can well be safely departed from merely because a new full-power Executive Councillor is appointed?

The Secretary of State's second speech on behalf of his Bill does not, like the first, open up a vista of unrevealed facts and hidden projects, but it is remarkable as affording, from our stand-point in this country, occasion for peculiarly apt replies to his own arguments. Thus he cites as instances of flagrant excesses over original estimates the Ootacamund Lawrence Asylum and a certain tank near Madras, designed by an engineer recently deceased, Mr. Fraser. As to the former of these cases, we are not able to judge whether 11½ lakhs is a fair or extravagant cost for those Ootacamund buildings, but it is nonsense to talk of the original "estimate" having been 18,000*l.* Reference to the correspondence published with the returns will show that the sum in question was avowedly for preliminary outlay. It was, of course, very wrong for the Madras local authorities to permit without special sanction any expenditure at all on a work likely to require the outlay of more than 10 lakhs; but what is the use of railing against "the system" when the system has been flagrantly violated? The proper remedy is to hang somebody. In this case it should have been either Lord Napier of Ettrick, or his Public Works Secretary. The next instance, that of Mr. Fraser's tank, does at first sight appear to tell against "the system." It is the Duke of Argyll whose despatch Lord Salisbury cites, and who declares that "no condemnation can be too strong for a system according to the ordinary routine of which it is possible for a project to be submitted "with all the parade of detailed elaboration and of no less than twenty-

"three sheets of plans," and for this project to be accepted at an estimate of 3½ lakhs as a very profitable one, and yet for it to be abandoned as a failure after an additional lakh had been spent upon it. Considering the high eulogiums passed on this engineer, Mr. Fraser, by the Madras journals, it is probable there is a different side to this story; but we must do the Duke the justice to remark that he does not base his demand for radical reform of the system on this, which might be a sporadic case. He goes on to class with it the excess over estimates in the Kurukwasla, Madras water-supply, and Orissa irrigation works. We are all agreed as firmly as are the Whig and Tory Secretaries of State that "there is something radically wrong which requires the application of a proportionately radical remedy," but we assert that the measure now proposed, so far from being a radical remedy, is an aggravation of the present faulty system. How is the new Executive Councillor to get "behind the looking-glass?" Why is he more likely to see through the glamour and "parade of detailed elaboration and of no less than twenty-three sheets of plans," than is the present Public Works Secretary and his skilled assistants, drawn as they ought to be from all the different Presidencies, and aided, as now, by the final, jealous, and questioning supervision of the Supreme Government? No; we say the remedy is condemned by its own description. The Secretary of State can easily invest any mortal man with "responsibility and power" for expending millions, but if such one man sitting at the centre is to be "pledged to the furnishing of proper estimates, and seeing that they are not exceeded," why then we must send to Jupiter or some other planet for him.

Just after this portion of his lordship's speech to which we are referring, something is said about this Brobdignag Councillor running round to look in upon the several local Governments, and waiting upon them until they accept his estimates instead of those of their own engineers; the bold constitutional innovation that the Olympian Councillor should have a vote in the local Executive Councils, or jostle the Lieutenant-Governors from their chairs, seems to have been dropped. It is sufficient reply to this proposed institution of morning calls on the provincial administrations to remark that a peripatetic Councillor cannot also be an omnipotent power at the centre, ready to try a fall any day with the Finance Minister, or dissent from, and perhaps defy, the Governor-General himself. But with regard to this visitation idea, I am inclined to think that Lord Salisbury has stumbled upon a good suggestion by happy chance, though it is one that leads in quite an opposite direction from that on which he is bent; in a word, it points towards local, personal, and direct responsibility, instead of towards remote centralized

control and the supervision of the bureau. As we have just pointed out, the man who can fulfil the Secretary of State's programme is not to be found on the face of the earth; but you *can* find in every Presidency, if not in every province, capable, experienced men, for instance, like Colonel Alexander Fraser, who has been twice sent here to advise with the Bombay Government in its interminable dock difficulties; like Colonel J. S. Trevor, who some years ago was sent to examine and report upon the long talked-of Rajpootana to Delhi Railway route; or like Mr. Guildford Molesworth, who has performed a like service for the State Railway projects in every province of India. It is quite true that we do need for our public works, especially for our larger ones, a fresh eye and independent examination, free from local bias; but we also need all possible advantages that can be gained from local knowledge, and we must have the responsibility of local authorities and departmental officers more regularly and promptly enforced. It seems to us that the two former of these objects will be but imperfectly advanced by Lord Salisbury's measure, while the two latter of these conditions will fare far worse under the new *régime* of high-pressure centralization.

With all deference to the Marquis of Salisbury, but still with considerable confidence, we of this Association think we can show a more excellent way. Our remedy is simple, so simple and easy, that until its working and probable results are traced out there may seem little in it. True, it is not costly and imposing, like this scheme from the new Secretary of State. At most we only ask for a few thousand rupees extra to be spent on Government printing. But we hope by that means to set in motion an ever-working, self-acting agency, a ubiquitous power more searching and far-seeing than any that can be exercised by the best and strongest Executive Councillor ever created by the Secretary of State or Crown. In a word, let our Public Works policy and projects be committed to the check, supervision, and security which *publicity*, and publicity only, can afford. Of course this sounds very unscientific. What can the unlearned and untechnical public know about the theory of dynamics, about taking out quantities, about the relative pressure of different velocities, or the mysteries of hydraulic pressure? Not much, perhaps; but there are some engineers, even Royal Engineers, who can do good work without these refinements of mathematical knowledge. When "Robert Napier, of the Engineers"—as General Whish designated him when needing his help at Mooltan—set to work to make the Trunk road and many other good highways in the Punjab, he wrote to Roorkee, and other resorts of young engineers, for men who could do road-making, and, he added, "send the men who have not gone through fluxions." Waiving the question whether there are not mathematicians, calculators,

and experienced engineers outside the Public Works Department capable and willing to test and criticize projects and estimates, it must be remembered that a very large part of the considerations which indicate the success or failure of Public Works projects, are such that the way-faring man, if a good observer, and within reach of the facts of the case, can decide upon quite as safely as can the Secretary of State or the new Executive Councillor. If you run your eye down this terrible array of excesses presented in Lord Salisbury's black list, you will agree with me that fully three-fourths of the whole are of such a nature that if those original estimates, of which his lordship so bitterly complains, had been put fully and fairly before the public on the spot, where the scope and nature of the projects were known and understood, those estimates would have been checked and revised without fee or commission, and far more promptly and effectually than could be done under the *régime* of secrecy and circumlocution. Besides, as we know from the accusing columns of excess in "actuals," the revision under the regulation system came too late, and the money has gone. To take one striking local example in passing, there is that gulf of rupees, the Moody Bay reclamation. The original estimate and the revised stand alike at 14½ lakhs, but close on 46 (459,840L) lie buried there! I forget the date when the Moody Bay work was commenced, but it is not credible that if either of these estimates had been put before the public in Bombay at the time, its glaring inadequacy would not have been denounced. Yet this mode of contrast only affords a moderate appraisal of the national benefit that would accrue from early and continuous publicity. How many huge works are there now lying heavy on the country and its resources, which, if the projects for these, instead of being only "submitted to the proper authorities," sitting secluded and invulnerable behind screens, had also been thrown before the public for free criticism, would have been discredited and disallowed at once! Would it have been possible, under a *régime* of publicity, for that huge blot on our Harbour Defence plan to have arisen, which we now see in the Middle Ground Shoal, converted into an artificial island, useless as a site for heavy ordnance, though it has absorbed the anchorage of more than twenty vessels? And look at our magnificent White Elephant on the desolate shores of the island called Hogg. Could that splendid but useless and costly toy have been thrust on us except under the cloud of secrecy and irresponsibility? So far as is known, not a single officer or department in Bombay had the option of declining that unlucky gift, unless it be the Public Works Secretary, who has yet to clear himself in the matter.

It should not be forgotten, in presence of Lord Salisbury's righteous

zeal against the Indian Public Works Department, that this hydraulic lift, like most of our ill-tamed and unmanageable Public Works schemes and complications, is forced on us from home. By an odd coincidence, a striking confirmation of this proposition is presented in the same issues of our Bombay newspapers which contain Lord Salisbury's indictment against the Public Works Department, by the publication of the four-year-old despatches of the Indian Government, protesting against the late Secretary of State's inexcusable transactions with the Guaranteed Railway Companies without the authorities in India being allowed the option of declining the prodigal renewal of those Companies' contracts. Thus this bane of secrecy permits attacks on Indian revenues from all sides. And, though this curious incident conveniently enables us to point a moral, we may ask once more, why is it that these papers, relating to an official controversy in 1869-70 of the utmost moment in its way, have not been allowed to see the light until the middle of 1874? There were certain references to these secret transactions in Mr. Danver's Annual Blue-book on Indian Railways, and one of the Bombay newspapers strongly condemned them so far as the circumstances could then be traced; but without the daylight, now so tardily thrown on the subject by the publication of those despatches last week, the Indian public was powerless to check or denounce the great wrong done them, in that instance, by his Grace the Duke of Argyll behind his impenetrable *purdah*. Here is the heavy indictment laid by the Government of India against the Secretary of State in this matter: "It appears to us, therefore, that the surrender of the power which the Government possessed of acquiring the possession of these railways at the earliest possible moment is not only to abandon the opportunity of extricating itself from the disadvantages of the position, but is to sacrifice a great source of income, to forego an economical financial arrangement, and unnecessarily to prolong, for an almost indefinite period, a heavy burden on the taxpayers of India."

Whilst we are speaking of railway matters you must allow me to refer, however briefly, to that great and still pending controversy in regard to Indian railways of the present and those of the future in which I have taken a strong interest, though, I think, some of the Native members of this Association ought to have given still more earnest heed to it. From Lord Salisbury's speech, it appears, the project of Lord Lawrence's Government in regard to constructing about twice as many more miles of railways than already exist in India, is steadily kept in view. Instead of 10,000 miles of new light railways, Lord Salisbury speaks of 9,000. Now my position is this: if these new railways are constructed on a narrower (and, as now settled, a metre) gauge, there will be a saving in

first cost of at least 32,000,000*l.*, only the interest on which, at 4 per cent, shows a perpetual annual saving, as compared with extending the present "standard" 66-inch gauge lines, of 1,230,000*l.*, which is nearly the sum we are now losing year by year on the present 5,500 miles of Guaranteed lines. But that is only the smallest part of the enormous advantage which the lighter and more manageable system shows over the present cumbrous and costly one. There is, besides, to take into account the saving on working expenses, and the benefit to the country in the lighter lines being able to serve so many hundred square miles of country more than can be served by the costlier railways. This latter item you can all appreciate, though it does not admit of exact computation. But as to the saving in working expenses—maintenance, renewals, locomotive, and other current charges—it has been calculated by competent professional men that this, if capitalized, would amount to still more than that enormous saving of 32,000,000*l.* in first cost. To set against this, there is the trifling expense of translanding at the points where the new would join the old lines, which is a matter of simple calculation; and there is that bugbear, some possible invasion from the North-west. As this last only influences persons who talk as if this Empire could be lost in a week's campaign, or by some battle commencing an hour later than they would like it to begin, instead of several days or a fortnight later as under present conditions, we may consign this objection to the regions of "*chimeras dire*." Now, I will point out how the specific of publicity bears upon this huge question of railway construction policy, which is, indeed, the *most* formidable of all the financial issues before the country. The Government of India, since the time when Lord Lawrence's Council announced, and Lord Mayo's confirmed, its adoption of the lighter system, has had in its possession or within its reach abundant data which, if fully and fairly put before the public of this country, would carry irresistible and overwhelming proof in favour of that lighter railway system which is within the means and adapted to the conditions of this country, and also utterly against the present hopeless system, which is consuming your revenues, and fails to serve your traffic. But, constant to the stolid and benumbing practice of official secrecy and sequestration of knowledge, the Government of India has never yet put its case for thorough railway reform before the public; and as things go it bids fair to have to surrender this cause to the popular prejudices and sinister moneyed home influences which prey remorselessly on the Indian revenues. It must be confessed that, for my part, I cannot hold popular Associations like this quite blameless in presence of a gigantic issue of this kind. As remarked before, this is a subject which, without professional training or technical acquirements,

can be mastered by any of you who gave your mind to it. Were the facts and figures now carefully boxed up by the Government of India, in deference to the tyrannical routine of official secrecy, placed in your hands, you might, and I know would, have done your part towards averting the greatest financial peril to which India has been exposed of late years. Ought you not to have insisted on being placed in possession of this material?

As an example of the effective assistance which open popular criticism affords in the revision of Public Works projects, there is the little story of what happened in the case of the Taptee Irrigation scheme (above Surat), and which ought, perhaps, to have been brought in at an earlier stage in this address. For many years this project had been discussed behind the screens. All the levels and other engineering data had been settled, and at last, it being understood the Secretary of State's sanction was given, some of the final papers were allowed to see the light, showing an estimated nett revenue of 16 per cent. But it was soon found the calculations lacked one thing—daylight examination at the hands of outsiders; and the material became available to one of the Bombay newspapers. It was then set out, analyzed, and compared with the actual conditions of agriculture on the spot, and with other non-official information and independent facts founded on direct observation and local knowledge. Alas for the brilliant prospect of 16 per cent.! Under the "spectrum analysis of publicity" that profit dwindled to less than four; the project, after many years of official discussion or delay, had to be authoritatively re-examined, the preliminary outlay was stopped, and the Taptee Irrigation scheme is still suspended. This, after all, is better than if it had gone forward without free public revision, and thus attained a place in some future black list of excesses like this one of Lord Salisbury's. But it would be easy to multiply instances by way of showing—to adapt a sentence of Lord Sandhurst's in his letter complaining of this Bill being huddled through the House of Peers—that "the weakness of the position of the Public Works Department, and, I may say, of the transaction of affairs of great importance in India, is the want of sufficient discussion, of bringing different minds to bear on the same subject." India had not much to thank Sir W. Mansfield for, but we may be grateful to Lord Sandhurst for that remarkably apt expression of a settled and wide-spread conviction. Leaving public works out of the question, it is painfully true that in affairs of all kinds and questions, great and small—legislative, financial, political, revenue, and municipal—India does need, above everything, the "bringing different minds to bear on the same subject," not *after* transactions have been finished, irrevocably settled, and thrust in-

exorably on the country, but as often as possible at their very inception, and before Executive Councillors and big departments have become committed to defend them at all cost. In demanding this great innovation on traditional routine, we do not seek to carry our reform to unreasonable lengths. The exigencies of the public service require at certain times and in particular circumstances some reticence and reserve to be exercised. But these should be the exceptions which the Executive would be expected to justify in each case. Many of you who are familiar with the routine of revenue, political, or Public Works administration, may be fairly asked to work out in detail the principles and methods by which this immense reformation in Indian affairs—publicity, early, prompt, and frank publicity—can be smoothly worked in supersession of the present system of rigid, jealous, misleading, and pernicious secrecy. This reformation would, I feel abundantly convinced, be of far more service to India than any scheme of direct representation in Parliament which you are at all likely to obtain during the present century. I commend this very practical and urgent question to the earnest and persevering attention of this Association.

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# RULES.

## I.—OBJECTS OF THE ASSOCIATION.

*Article 1.* The EAST INDIA ASSOCIATION is instituted for the independent and disinterested advocacy and promotion, by all legitimate means, of the public interests and welfare of the Inhabitants of India generally.

## II.—MEMBERS.

*Article 2.* The Association shall consist of Resident and Non-Resident Ordinary and Honorary Members.

*Article 3.* Honorary Members shall have the same rights and privileges as Ordinary Members.

*Article 4.* Honorary Members shall be nominated by the Council at any Ordinary Meeting, and shall consist of persons who have distinguished themselves in promoting the good of India.

*Article 5.* Ordinary Members shall be nominated in writing by two Members of the Association, and elected after ten days' notice of such nomination, at the next General Meeting of the Council, if approved by a majority of two-thirds present thereat.

*Article 6.* The Election of every Member, both Ordinary and Honorary, shall be recorded on the minutes of the Council; and the Secretary shall forthwith notify, by letter, his election to the Member, and request such Member to furnish a standing order on his Banker for his Annual Subscription.

*Article 7.* Ordinary Members shall pay an Annual Subscription of  $\text{Rs. } 12$ , or  $\text{Rs. } 10$ , on the 1st January in every year; or may compound for the same by payment of  $\text{Rs. } 100$ , or  $10\%$ , which shall constitute a Life Member.

NOTE—Total Annual Subscription, including Journal (delivered free of postage) £1 5 0  
Life Subscription ditto ditto 14 0 0  
Annual Subscription (including Journal), in India..... 13 Rupees 8 Annas.  
Life Subscription ditto ditto..... 160 „

## III.—MODE OF MANAGEMENT.

*Article 8.* The Management of the Association shall be vested in a Council, consisting of a Chairman, Vice-Chairman, and Thirty-three Ordinary Members; Five to form a Quorum; and Eight to retire annually by Rotation, but eligible for re-election at the Annual Meeting.

*Article 9.* A President of the Association shall be appointed at the Annual Meeting; and the Council may, from time to time, nominate distinguished Indian Statesmen, or others, as Vice-Presidents, subject to the confirmation of the next Annual Meeting of the Association.

*Article 10.* The Council shall appoint a Secretary, and such other Employés as may be necessary, and fix their Salaries and Emoluments.

*Article 11.* The Council may fill up Vacancies in their own body, until the next Annual Meeting of the Association.

*Article 12.* The Council shall meet on the First Wednesday in the

## RULES—(continued).

month; but the Chairman, Vice-Chairman, or any three Members of the Council may at any time convene a Meeting by giving three days' notice.

*Article 13.* The Council may appoint Special Sub-Committees of not less than Five Members of the Association, three of whom shall form a Quorum.

*Article 14.* At the desire of Five Members of the Council, or on the written requisition of Ten Members of the Association, the Secretary shall convene a Special Meeting of the Association.

### FUNCTIONS OF THE OFFICERS.

*Article 15.* The President, or, in his absence, any Vice-President, or in the absence thereof, any Member, shall preside at the Annual or Ordinary Meetings of the Association.

*Article 16.* The Chairman or Vice-Chairman of the Council, or, in their absence, any Member thereof nominated by those present, shall preside at the Meetings of the Council.

### ANNUAL MEETING.

*Article 17.* The Annual Meeting of the Association shall be held in the month of May in every year.

*Article 18.* General Ordinary Meetings of the Association for promoting the interests thereof, and for the discussion of subjects connected with India, shall be held at such times and places as the Council may appoint.

*Article 19.* A statement of the Accounts of the Association shall be prepared, audited by one of the Members of the Council and one Member taken from the general body of the Members of the Society, and circulated with the Report of the Council to each Resident Member, ten days before the Annual Meeting.

### LOCAL COMMITTEES.

*Article 20.* Local Committees shall be appointed in India by Local Subscribers, subject to the approval of the Council; and the co-operation of independent Local Associations in India is invited by the "East India Association."

### BYE-LAWS.

*Article 21.* The Council shall have power to make and alter any Bye-laws for the Management of the Association.

### ALTERATION OF RULES.

*Article 22.* No addition to or alteration in these Rules shall be made, except at the Annual Meeting of the Association, previous notice being given in the Circular convening the Meeting.

### JOURNAL OF THE ASSOCIATION.

*Article 23.* The Council may, in their discretion, publish, quarterly or otherwise, a Journal, containing a Report of the several General and other Meetings of the Association. Papers submitted for discussion shall be published *in extenso*, or not, as the Council may decide.





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